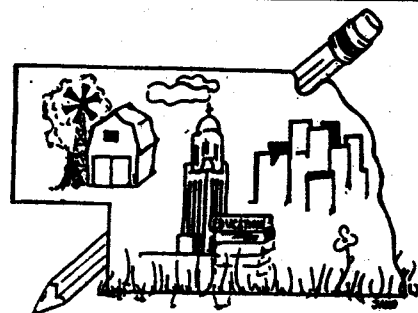


# The Nebraska Observer

Vol. 6, No. 6, May 31, 1991



Alisha and Amanda Owen

## The Testimony That Earned the Indictment

*Following is Alisha Owen's story, compiled from tapes made by Gary Caradori, Owen's grand jury testimony made available to this point in her trial, and sources close to her.*

Alisha met Jeff Hubbell Thursday night August 1983. The occasion was the Sprite Night dance at Peony Park. They danced, and kissed, and Hubbell said there was a party the following night that she should go to. They made plans to attend.

Next night Hubbell and Larry the Kid, a young black man, she described as 6'3" and muscular, and also Larry King's enforcer and lover, picked her up, drove around till 9:30 or so, and then went to Twin Towers. Larry King was the chief of the failed Franklin Credit Union.

They were admitted by the security person, went upstairs to an apartment she believed was leased by Alfie Allen, one or two floors below a penthouse she believed was Larry King's. At the party were Harold Andersen, publisher of the World-Herald; Robert Wadman, chief of police, King, and others, six adults in all, and about 20 teenagers, including a black girl about her age named Lisa. She did not know any of the prominent men except by their first names and was to find out later who they were in the community. It was a big party with lots of dope. There was porno-kiddie movies on the television with the sound turned off. There was cocaine there. It tasted bitter.

She says when she first met Wadman she was a virgin. This has not been disputed by the prosecution.

There was no sex in the party room, but men left with young boys, went into bedrooms, and came out after a while. Harold Andersen did this with a 14- or 15-year old

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## Perjury Indictment Stems From Franklin Investigation

# Wadman's Accuser Stands Trial

by Frances Mendenhall, with assistance from Rita Hamilton

*Editor's note: We realize that other news sources have presented a view different from ours. Please keep in mind, however, the following. The events that are important in this trial have been going on for a long time. This reporter has been covering it since early 1989, long before many media took the matter seriously.*

*Trials are very complicated to understand. It is possible for two people to hear the same exchange in a courtroom and arrive at very different interpretations of what happened. You can't ask them to stop and repeat. That is why it is important to attend as much of a trial as possible, ideally all of it, in order to get the best possible understanding. We know of many reporters whose stories were based on as little as one day's attendance. We—one or both of us—have been present for all but two hours of the opening remarks and testimony. This has been difficult, to say the least, since both of us have other obligations in publishing this paper. It is our goal to report on this story from as thorough an understanding as possible.*

The perjury trial of Alisha Owen began on May 17 with retired Judge Raymond Case of Plattsmouth presiding in Douglas County District Court. Opening remarks from both prosecution and defense took up virtually all of the first day. At that time, prosecuting attorney Gerald Moran outlined his arguments: Alisha Owen had collaborated with the other witnesses to tell their story for three reasons: to get out of prison; to make money from lawsuits, books, and movies; and to be somebody. Defense attorney Henry Rosenthal said that Owen would not even be tried had she accused a common person or "a Henry Rosenthal." She was being punished

for accusing prominent people and not backing down.

After that, the prosecution began presenting its witnesses. Many of these witnesses have lengthy testimony and complicated cross-examinations. Often only two witnesses are heard in a day. The trial was expected to last a month when it began and estimates are being adjusted upward as testimony continues to be lengthy.

Some important testimony:

Parole Officer Ann O'Connor testified that Alisha named named Mark Burkhart as Amanda's father in 1988.

Twin Towers owner Betty Cutler testified

to the elaborate security system employed at Twin Towers and to the fact that neither Alan Baer or Alfie Allan ever had a Penthouse there and Larry King did not have a penthouse during the specified time period.

Judy Moore of French Cafe testified that Larry King did not host any parties there in September or October of 1983. It was highly unlikely that Alisha and Wadman could have engaged in sexual activities without being

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## A Chronology, 1985 to the Present

by Frances Mendenhall

At 15 Alisha Owen had a baby, Amanda. She told her parents that she had gotten drunk at a party and didn't know who the father was. That was May 1, 1985. Soon after that Alisha and her mother Donna Owen sought assistance from the Nebraska Department of Social Services for some special medical problems the baby had.

Owen was later to claim that during a period of a year, including the time of Amanda's conception, she had been sexually abused by a group of prominent Omaha men, including then Police Chief Robert Wadman, who, she said, fathered Amanda.

Owen, now 22, is on trial for eight counts of perjury for allegations about the men she says abused her or other minors. Two others who had corroborated Owen's story, Troy Boner and Danny King, have recanted their stories. A third, Paul Bonacci, sticks to the story and is awaiting trial for perjury. The people involved included Larry King, head of the failed Franklin Credit Union, and others tied in with that institution.

To review the events. On November 4, 1988, the National Credit Union Administration closed the Franklin Credit Union. <intro>(Except for the Nebraska Observer,

the media focused on the missing \$38 million. In March of '89, the Observer printed its first article about the child abuse implications of the Franklin story. We were the first to call for a grand jury investigation in June 1989)

Others in the community knew of the extravagant and sexually excessive lifestyle of Larry King, known to be seen in the company of young gay men; when stories began

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# Nebraskans Prefer Some Alternatives to the Death Penalty

by DeCourcy Squire

The author is an Omaha member of Nebraskans Against the Death Penalty

On May 20, a new survey of Nebraskan voters was released with results that many may find surprising: although up to 80 percent of Nebraskans may answer yes to the question, "Do you support the death penalty?", a majority, when given a choice, will prefer an alternative to the death penalty.

The most dramatic support for alternatives to the death penalty came in response to the question, "What if convicted murderers in this state could be sentenced to life with no chance of parole *and* also be required to work in prison industries for money that would go to the families of their victims; would you prefer this as an alternative to the death penalty?"

A majority, 64.2 percent, said yes; only 26.1 percent said they would prefer the death penalty. The remaining 9.7 percent were not sure or did not answer this question.

The survey was designed by two well-known death penalty researchers, William Bower and Margaret Vandiver, of the College of Criminal Justice at Northeastern University, Boston, Mass. A representative sampling of 506 randomly selected Nebraska voters were interviewed for their opinions about alternatives to the death penalty and their feelings about their legislator's position. (The margin of error is 4 percentage points.) A story about the survey was published in the Lincoln Journal May 22. As of press time, no story about the survey was published in the Omaha World-Herald.

The survey found that 66 percent agreed that the death penalty was the harshest punishment, but voters were split on what they considered the option that "does the greatest good for all concerned." Only 29.6 percent cited the death penalty while 53.6 percent chose life in prison plus restitution to victims'

families as the best option, with about half of this group willing to allow a possibility of parole after 30 years if financial restitution had been made to the victim's family.

In spite of the emotion often generated around the death penalty issue, the survey also found that 88.4 percent of the respondents did not know how their state senator had voted on the death penalty issue when it came up in 1988; only 35.4 percent said they would be less likely to vote for a senator who had supported replacing the death penalty with a life sentence, with no parole possible for 30 years.

Moreover, voters seemed to think their senators would be supportive of alternatives to the death penalty. Only 11.1 percent perceived their senator as preferring the death penalty; 46.9 percent thought their senator would favor an option that included a life sentence and some form of work for restitution to victims' families.

Rather than listening to the calls for vengeance and blood that have been on the Public Pulse page of the Omaha World-Herald for the last few months, Nebraska legislators would do well to consider the results of this survey. This survey is part of a growing body of studies done in states ranging from Georgia and Florida to Massachusetts and New York, and include a 1988 study done in Nebraska. These studies have consistently shown that

Alternative	Prefer Alternative	Prefer Death	Don't Know
Life, no parole for 25 years	31%	51.6%	7.4%
Life, no parole for 40 years	39.7%	46.4%	13.9%
Life, NO parole	46.0%	42.9%	11.1%
Life, NO parole with restitution to victim's family	64.2%	26.1%	9.7%

For a copy of the Executive Summary of a Nebraska State Survey, "Nebraskans Want an Alternative to the Death Penalty," write:

Williams J. Bowers, College of Criminal Justice, Northeastern University, Boston, MA 02115.

For a copy of the 1988 Nebraska Annual Social Indicators Survey, "Majority favor Alternative to Death Penalty" (price \$1) write:

Dr. Alan Booth, Bureau of Sociological Research, Department of Sociology, University of Nebraska—Lincoln, Lincoln, NE 68588, 472-3672.

voters, despite an initial statement of support for the death penalty, want something more

creative and constructive. It's time that the legislators provide that alternative.

## How Diapers Blocked Repeal

Supporters of a bill to replace the death penalty with life imprisonment and no possibility of parole were disappointed May 23. Just as their bill was to be brought up, suddenly a diaper bill was special ordered by Speaker Baack. Senators were surprised that that should happen so late in the session when nights get late and there still remain such things as property taxes, parental notification, and the gun bill to be dealt with. The move came from Sen. Johnson, who approached Sen. Baack with a letter justifying this schedule change in order for the DEC to be able to do a study. The nature of the study was not clear. What was clear was that somebody wanted compostable diapers to get an open door in Nebraska.

(In theory, all diapers are compostable. Besides, most municipalities don't have

composting facilities.)

It was a bad bill. Ashford Morrissey and Withem felt they had to oppose it. They got an amendment added so that the law applies only if there are municipal composting facilities in Nebraska. Right. When a pig flies.

Meanwhile, the holiday was approaching, and the quorum for the death penalty bill slipped away, probably never to have another shot this year. Sen. Chambers took it out of consideration.

It was a very sad day for Willey Otey.

## Observer Deadlines

The next Observer will be published July 2.

Story ideas are due June 19.

Copy is due June 25.

Ideas for the July 31 issue are due July 17.

Copy is due July 24

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# Kerrey's Health USA: Courageous But Flawed

by David U. Himmelstein, M.D. & Steffie Woolhandler, M.D., M.P.H.

The authors are co-founders of Physicians for a National Health Program.

Sen. Bob Kerrey's proposed legislation incorporates one absolutely key advance over the current system, but there are major flaws in the bill.

The great strength of the bill is that it would provide almost universal coverage for a quite comprehensive range of benefits, and sever the connection between employment and insurance. Moreover, because it includes mechanisms for setting and enforcing an overall budget for health care, the legislation might well succeed at containing costs.

The most important problem with the legislation is that it would leave insurance companies squarely in the middle of the health care system. As a result, many potential administrative savings are not realized, and the bureaucracy that many providers already find so offensive is likely to be amplified.

In effect, under this bill each state would contract with multiple insurers to run health care, presumably mainly through HMO or IPA type plans. This would insert a layer of costly and unnecessary bureaucracy between the public payer and the provider, and assure that less money is available for clinical care than under a publicly administered program. Thus the lowest overhead reported by any private insurer or HMO in the U.S., Canada or Germany is about 5 percent of premium, well above the 0.9 percent figure for the Canadian public insurers. Assuming that virtually all payment would flow through the insurance system, this implies a waste of about \$26 billion on insurance overhead alone (1990 dollars) as compared to a Canadian-style program.

Moreover, by keeping not just one but several competing private insurers in the system, the bill assures the perpetuation of costly marketing efforts, and makes the global budgeting of hospitals a very difficult proposition, both features likely to drive the non-clinical costs still higher. It is hard to tell precisely how the legislation would affect the administrative excess in U.S. hospitals. At present 20.5 percent of U.S. hospital budgets are devoted to billing and administration, as compared to 9 percent in Canada where hospitals receive global budgets. The legislation envisions either the continuation of DRG based hospital funding or a complex system of global budgeting. The former would probably mean little change in hospital billing costs. The latter would probably drive costs down somewhat, but almost certainly not to Canadian levels.

Another key problem is the bill's failure to deal adequately with the related areas of capital funding and profit-making. It sets no limitations on the diversion of hospital operating budgets or insurance company capitation payments for capital spending and/or profits. Thus hospitals with a surplus could

expand and modernize, whether or not this was in keeping with health planning goals. This implicit mechanism for capital allocation should be replaced with an explicit mechanism that matches resources to need. The Canadians have shown that this can be accomplished by prohibiting the use of operating funds for capital purchases, and distributing capital funds separately.

Allowing insurers and HMOs to retain the surplus from capitation payments leaves in place the financial incentives that are so deleterious under our current system. Thus insurers/HMOs can grow and prosper by recruiting healthy patients while shunning the sick (so-called risk selection), and by squeezing clinical services. Sen. Kerrey proposes to alleviate the problem of risk selection by mandating open enrollment and by community rating (adjusted for some major demographic characteristics). These are inadequate measures. Insurers would undoubtedly continue to risk select through selective marketing (eg. advertising directed to upper income communities with low utilization rates), locating facilities in low-utilization areas in order to

attract these low-cost patients, tailoring benefit packages to attract the healthy (eg. by offering health-club memberships), etc. Even graver problems are virtually certain to arise from unscrupulous managed-care providers who realize that the quickest route to profitability is to take the capitation payment and not to provide the services. This has occurred repeatedly under programs with regulations very comparable to those proposed by this legislation, eg. the Medicaid demonstration projects in California 20 years ago, IMC medical centers in Florida—the largest HMO under Medicare — and several recent managed care programs in Chicago.

A final major objection is that the legislation would virtually assure that HMOs and similar managed-care plans would rapidly become the dominant mode of practice. Moreover, the kind of managed-care that it encourages is not the progressive model of teamwork in a group practice. Rather it encourages insurance companies to serve as the hub of medical practice, with incentives for financial but not clinical integration. Patients would be highly restricted in their choice of

providers and physicians' practice options would be sharply limited.

Three additional issues are that the program would apparently exclude undocumented residents, who may number in the millions, and would thus leave many uninsured; it would make long-term care available only to those needing assistance with two or more ADLs, rather than for high risk individuals not meeting these formal criteria; and it would forbid payment to informal caregivers (eg. relatives) who provide the vast majority of long term care at present. Surely we must have some flexibility to compensate and support informal caregivers to avoid creating a bias towards "formal" care.

In summary, this bill would significantly extend access to care and end the link between employment and insurance. It would force most Americans into managed-care plans, would continue the waste of tens of billions of dollars on bureaucracy because it caters to the private insurance industry, and would leave in place many of the perverse incentives that deform our current system.

## Excerpts from the Journal of the American Medical Assn.

*The May 15 issue of JAMA was dedicated to articles and letters discussing problems and proposed solutions for the United States health care crisis. Following are some excerpts.*

A just-published survey of 384 executives, who head some of the nation's largest companies, reports that more than 90% believe that either the health care system needs to be completely rebuilt or fundamentally changed.

Groups Survey Health Care Costs, Charges  
by Charles Marwick

The responsibility of the Health Resources and Services Administration (HRSA) within the Public Health Service is to assess, develop policies for, and assure the provision of primary care to the uninsured, underinsured, and underserved, and to encourage the public and private sectors to collaborate in that care. By using existing community based, comprehensive models of care and expanded public and private resources, this mission can be accomplished. The challenge is to organize the current "patchwork quilt" of public and private primary care providers into a coordinated system designed with the underserved in mind.

From the Health Resources and Services Administration

by Robert G. Harmon, MD, MPH  
Administrator HRSA

In 1985, per capita expenditure was \$347 in the United States and only \$202 (in US dollars) in Canada, a ratio of 1.72. We undertook a quantitative analysis of this ratio. We found that the higher expenditures per capita

in the United States are explained entirely by higher fees; the quantity of physicians' services per capita is actually lower in the United States than in Canada...Despite the large difference in fees, physicians' net incomes in the United States are only about one third higher than in Canada.

How Does Canada Do It? A Comparison of Expenditures for Physicians' Services in the United States and Canada

by Victor R. Fuchs et al

Most estimates place the number of Americans lacking public or private coverage between 31 and 36 million.

The Uninsured, From Dilemma to Crisis  
by Emily Friedman

The most striking difference between Canadian and American spending is in administration and prepayment expenses (costs of handling paper and dollars). Canadians spend 80% less than Americans to administer their universal, comprehensive coverage. In addition, the lack of intrusion into the autonomy of private practice physicians in Canada is in stark contrast to the situation in the United States. American physicians are increasingly frustrated by the micromanagement of individual patients by government and insurance companies.

The Physicians Who Care Plan, Preserving Quality and Equitability in American Medicine

by Ronald S. Bronow, MD et al

Morbidity and mortality statistics for the United States are unenviable compared with those of other developed countries, despite

this country's leading role in health care spending...The effects of limiting rate increases would be to place insurers at risk for increasing costs. Thus, insurers would have a powerful incentive to control costs. A natural reaction by insurers would be to form tightly integrated managed-care alliances with providers in order to share the financial risk with those providers. Insurers and their provider allies would have a strong incentive to apply careful cost-benefit judgments to such matters as capital expansion, preference among treatment locations and modalities, length of confinement, and selection of materials and subcontractors. Providers who failed to help the plan stay within budget would be less attractive to plan sponsors.

A Framework for Reform of the US Health Care Financing and Provision System

by The Kansas Employer Coalition on Health, Task Force on Long-term Solutions

The Physicians for a National Health Program proposes to cover all Americans under a single, comprehensive public insurance program without copayments or deductibles and with free choice of provider. Such a national health program could reap tens of billions of dollars in administrative savings in the initial years, enough to fund generous increases in health care services not only for the uninsured, but for the underinsured as well. We delineate a transitional national health program budget that would hold overall health spending at current levels while accommodating increases in hospital and physician utilization.

Liberal Benefits, Conservative Spending  
by Kevin Grumbach, MD et al

## Chronology, from page 1

to surface about an organized ring of prominent people who partied with teenagers, they moved quickly through the community. A special committee of the legislature was formed December 1988 to investigate matters relating to the Franklin. It started out focusing on the money, but when the State Foster Care Review Board brought evidence to them of an organized child abuse ring, it broadened its focus. Carol Stitt, executive director, and Dennis Carlson, attorney and chairman of the board, brought stories of three young people abused by people including Jarrett Webb, Larry King's cousin and board member of the Franklin. A group of foster mothers in Washington County continued to call attention to their belief that some of the children that passed through their care had been victims. One, Kathleen Sorensen, had made a life's work of caring for kids with special kinds of problems, and had extensive knowledge. Sorensen was killed in a car accident in October 1989. There were also stories of other Franklin related people involved in parties where foster children were sexually abused. Webb and his wife were foster parents. Webb was later arrested, but never convicted because the girl involved was two days over 16.

By the summer of '89 the special committee was suffering from internal problems. In late June and early July, Sens. Chambers and McFarland resigned, as did counsel Kirk Naylor and investigator Jerry Lowe. Chair Sen. Loran Schmit told the press he would now "follow the money trail." The committee hired a new lawyer John Stevens Berry, and a new investigator, Gary Caradori. Caradori followed the child-abuse trail. Caradori also had some contact with Mike Casey, but no one knows for sure how much. Caradori was killed a year later when his private plane crashed July 11, 1990.

In early '89, when Alisha Owen had just finished high school and was taking courses at UNO, Mike Casey came to town.

Casey did some work as a journalist, although his credentials never managed to measure up to his hype. He held a grudge against the World-Herald for the story they did on him when he was fired from Boys Town years earlier. He also had a low opinion of Boys Town. In February of 1989 he and Rick Hornung of the Village Voice coauthored an article about the Franklin. It included a sidebar about the presence of a bedroom in the lower level of the credit union. One of Franklin's directors, World-Herald publisher Harold Andersen was tied in because he had to have known the bed was there. One former employee said he had walked right by it. Andersen denied seeing it.

Casey stayed at Dick Mueller's house, and spent time with KKAR's Steve Brown. He was always on the brink of a breakthrough, always taking one lead and trying to parlay it into a bigger story by hinting what he knew to another journalist and trying to get their cooperation. He once called me collect from Cali-

fornia and convinced me to send him \$50. I know of another writer who paid him several thousand. One evening a short time after Casey started calling me, he called in a particularly high state of excitement. He had tapes of an interview with an abuse victim who told all, named names. It was the missing piece of information. He wanted me to drop everything and come over to Dick Mueller's to work with him, and promised I would get to hear the tape. When I got there Casey was drunk. Hints about the contents of the tape were released just often enough to keep me from leaving. A young male ex-lover of King's was telling his story which included a trip to the Caribbean. But an hour passed and I didn't get to hear the tape. I left and promised myself not to get conned again. After that I kept Casey at arm's length; when he called I would say I had to call him back, wait a few hours or overnight, and then return the call. Almost always by the time I tried to call him back he was unavailable, out of town, or somehow moved on to something else. It wasn't until later that it came out that Casey had known Alisha Owen the previous fall. They knew each other before the NCUA closed down the Franklin. They had been patients at St. Joseph's mental hospital together in the fall of 1988. No one knows how much contact Casey had with Owen in early '89. It seems possible that he discussed the lifestyles of some of the key Franklin names with Owen while they were in the hospital, but there is no evidence that she told him particulars about her involvement, especially her alleged involvement with Wadman. I never heard any of Alisha's story from Casey.

In summer of '88 Alisha spending a lot of time at the Run Bar with Troy Boner. The prosecution would later claim that she was in love with him.

In June, while the legislative special committee was suffering from its resignations, Alisha was arrested for writing bad checks. By August she was convicted and sent to the Women's Center at York. Before going to York, while at the Douglas County Detention Center, she met Mary Dvorak, whose sentence at York was to overlap Owens' by several weeks. She and Casey wrote two or three letters. By all accounts she was not claiming to Casey or anyone else that Wadman had fathered Amanda, nor that she had seen or been victimized by sexual abuse from others. She took her secret to jail.

In October Caradori found Owen. He had heard details of a pattern of abuse, possibly an organized ring, from talking to street kids, much the same as Casey had done. But Caradori had the names of the prominent men. The street kids also told him that Alisha had an important story. He contacted her parents, told them he was a priest who had known her at St. Joe's, and wanted to talk to her. They put him in contact.

When Caradori first visited Alisha Owen in October 30, he said he knew of her abuse by prominent Omahans, and he would like her to

tell her story for the special committee. Owen initially declined, saying she wanted some time to think. The next day, she went to the prison psychiatrist and told him the story. The psychiatrist told the warden, Larry Wayne. According to Wayne's testimony, he went to Alisha, who told him that she was involved as a victim. She was concerned it was becoming well known. She was scared, thought high people might want to hurt her.

They didn't file a report with law enforcement right away. The State Patrol called, asking to come, then two of them came, Philips and Pound. Wayne was told by Caradori that this case could be a very big thing, and would involve a lot of prominent people. Caradori didn't want to help the State Patrol because they had dropped out before (when Stitt brought allegations).

A week after Caradori's first visit, Owen decided to tell her story, and in the next few weeks she, Troy Boner, and Danny King made the now famous 21 hours of videotapes. These tapes tell the story of the involvement of the three themselves, and others they knew or knew of. They describe events that spanned a year. Owen mentions a black girl about her age named L\_\_\_ at the first party and some later ones, the same name as one of the girls abused by Webb. She recalls that L\_\_\_ was the only other girl she remembers seeing at the parties.

The stories are not absolutely consistent. Troy Boner, for instance, described the location of many of the parties as Woodmen Tower; Alisha said it was Twin Tower Apartments. Sometimes the dates don't match. But the story line is fundamentally the same concerning the things that they claimed to have experienced in common. The tapes were supposed to be kept confidential, but details revealed by the three were the subject of gossip and speculation by people all over the state. In January former State Sen. John DeCamp, lobbyist, as well as lawyer and friend of Special Committee Chair Loran Schmit, mailed out what came to be known as the DeCamp Memo. It named five prominent Omahans who had ties with the scandal. They were Larry King, Harold Andersen, Robert Wadman, Alan Baer, and Peter Citron.

DeCamp did not tell his source, but expected that the information be published on the weight of his saying that there was a credible source. Few media published or broadcast the information. DeCamp still has not told his source, but three of the names have been convicted since then, although officially the sex charges brought against Baer and Citron had nothing to do with Franklin, and the conviction of Larry King had nothing to do with sex.

From February through April the FBI began its interviews with Owen. They interviewed her on eleven occasions. They were not taped. Owen was not read her Miranda rights. No transcript was ever shown to Alisha for her to sign. The defense is claiming that she was coerced into talking to them, and that their

sole purpose was to gather the kind of information that could be used to discredit her. A witness for the prosecution, Steve Solburg, admitted under cross-examination that when the FBI interviewed him he felt intimidated and that all the questions asked by the grand jury were intended to discredit Owen. On March 8, the FBI took out a search warrant to search Alisha's cell. They were looking for a red file called "Alisha Owen, VIP." On March 9, the FBI arranged for Troy Boner to phone Alisha from their office to try to set her up while the conversation was being taped. The tape was played in court.

The FBI agents never mentioned making a report to law enforcement people regarding the possibility that a crime had been committed against Alisha.

As the FBI told the story in the trial, the content of the interview covered a wide range of material besides what Owen had detailed on the videotapes. According to FBI testimony at Owen's trial, the interviews dealt with subjects such as her participation in a drug ring on the west coast, involvement with organized crime and drug gangs, and a house where pornography was made, all subjects she did not bring up on the videotapes. Additionally, the FBI version of Alisha's story has her making errors, such as saying that Citron was at all of the parties instead of just two; Citron lived in San Francisco when this was going on. Another FBI version was that Alisha described Wadman as drinking and using drugs, but she said she wasn't aware of him using drugs, except for alcohol, on the tapes. Sources close to Wadman say he does not use drugs.

At the time Alisha's attorney was Pamela Vuchetich. Vuchetich drew unwelcome attention to the case by talking inappropriately to the media. Documents introduced at the trial make it appear that Vuchetich was collaborating with the FBI from early on in their investigation. Phone records submitted showed 177 phone calls from Vuchetich's office or home to the FBI between Dec. '89 and April '90.

Another time, when Alisha was with the FBI investigators, she asked to call her attorney, went to look up the number, but was stopped from looking it up by the agent who knew the number already.

Although the FBI claims that they regarded Owen as a victim and took her claim seriously at the beginning, they testified that they never interviewed any of the people she was accusing.

By January Attorney General Robert Spire and others were calling for a grand jury. Finally one was impaneled, but Spire's original idea of having attorney Vince Valentino as Special Prosecutor was ruled out. Instead, Sam Van Pelt was appointed. Van Pelt had been a special prosecutor for the shooting death of Arthur Kirk, a Cairo farmer who was killed while resisting foreclosure on his farm. That 1985 report from that investigation had

*Continued next page*



## Owen Trial, from page 1

observed. Payroll records show no Sheila employed there ever.

Alfie Allen testified that he has lived at his current address for ten years, has no social contact whatsoever with Larry King or Alan Baer.

Jeff Hubbell testified that he had only met Owen once and never saw her again.

Witnesses who told stories of promiscuity: Darlene Hohndorf told of Owen boasting of having sex with 10-15 men during the summer of 1986.

Steve Solberg described an intense affair with Owen during the spring of 1984. They would meet for sex on Wednesday afternoons, some of the time Owen said she was seeing Wadman.

Rick Southwick confirmed that Solberg and Owen were having sex; they had met at his house.

FBI agents, Pankonin and Mott described their eleven interviews with Owen. Their description of what she said shows striking contrasts with the content of the videotapes.

### Errors in Reporting

Not surprisingly, many things have happened in court that have been subject to errors in reporting. Following are some things that were reported in very different ways from what we heard.

A tape of a phone call from Troy Boner to Alisha Owen was played in court. In it Alisha repeatedly says "just tell the truth" to Boner. But a television newscast had Boner saying it to Alisha.

The prosecution presents as a motive that Alisha wanted to make money off a book. When prison insiders testified as to what she said on the subject, the book comment appeared in a new light; it was a comment on how incredible recent events had been, and a joke. People often make such observations in

tough times. "When this is all over it sure will make a great book." But the media reported the remarks as serious.

The World-Herald reported that Rosenthal "lunged" at Moran, although he stopped short of touching him and Case told *both* men to sit down. As we observed it, Rosenthal stood and turned to face Moran, who never rose from his seat.

Jeff Stauffer contradicted a previous witnesses' testimony by saying that Alisha did not have sex with 10 to 15 men during the summer of '86. But most of the media ignored his contradiction.

For some reason, Moran has been given far more coverage than Rosenthal. Yet there was discussion by Moran to limit Rosenthal because he was taking so long. If he is saying that much why aren't the media reporting it?

Alisha told several people that her pregnancy resulted from date rape. The media have reported this as a contradiction in her story; actually it is totally consistent.

If Alisha Owen is acquitted many in the public will believe that she got off on some technicality.

### Fundamental Contradictions

It seems to us that some fundamental contradictions in logic and fairness have gone unexamined.

Two witnesses for the prosecution, Steve Solberg and Mary Dvorak, received immunity for their testimony. For Solberg that meant he would never face prosecution for statutory rape; it was ironic that macho Mr. Solberg could testify about intense and frequent sex with Alisha, making her look like a tramp at age 15, but having only to endure himself the image of a stud. It is hard to believe the testimony of someone who had so much to gain, so little to lose, and was so willing to betray a former partner.

Mary Dvorak, a registered pharmacist, had even more to gain. The crime she committed but avoided being prosecuted for by testifying against Alisha was stealing \$2500 worth of Dilaudids from a pharmacy where she worked. Small wonder she displayed so much anxiety on the stand, but it makes you wonder what lengths the prosecution will go to get a conviction.

It is important to remember, during the lengthy testimony about Alisha's promiscuity, that she is not being tried for promiscuity, but rather for *perjury*. The testimony of Darlene Hohndorf offered no information about the actual allegations which brought the perjury indictment, but included a lot about Alisha's wild sex life. The prosecution justified this by explaining that such an approach was necessary to demonstrate to the jury *how* she concocted the richly detailed account of sex abuse. If she were an alleged rape victim such testimony would be thrown out. Since she is an accused criminal it is allowed.

The testimony of Steve Solberg was justified as evidence that Alisha was not having sex with Wadman on Wednesday afternoons, since she was having sex with Solberg on that day. But Solberg's account didn't cover every Wednesday of the year Alisha describes, or even all day Wednesday, only afternoons out of three months. It does, however leave a strong impression of a girl who was sleeping around.

Even assuming that Alisha is lying, does it seem reasonable or desirable to put a person claiming to be a *victim* of sex abuse on trial? If this were standard procedure, no one would dare come forth with a story of abuse because failure to prove the case would mean being prosecuted. By that logic the accusers in the McMartin trial should themselves now be tried for perjury. In that kind of climate, what sex abuse victim would come forth to seek justice?

The charge of perjury is highly unusual. I asked several people in the Omaha legal system how often perjury cases came up. None could remember *any* ever coming up. In theory every time someone testifies in defense of someone who is found guilty, there is reason to believe perjury has been committed. But it is almost never brought to trial.

Finally, it seems obvious that Alisha was victimized by someone, if not Wadman. Teenagers do not just wake up one day and respond to raging hormones by engaging in wildly extravagant sexual activity. Jeff Stauffer testified that she told him she had been sexually abused by an older man when she was 10. Something is wrong here—probably has been for a long time, and Alisha is the victim. The FBI and the Special Prosecutor came down on her very hard indeed, and they plan to do the same thing to Paul Bonacci. Why are they overreacting?

Many in the community believe that Alisha Owen will be convicted. They should remember that only the witnesses for the

prosecution have been heard so far. Things may turn around quickly in another week.

### Tough Questions

The jury will wind up deciding Owen's guilt or innocence based on whether they believe she made up the story of Wadman abusing her. At this point the prosecution has not proved that point. And to convict her, the jury must be convinced of her guilt beyond the shadow of a doubt. If I were on the jury I would need answers to some tough questions in order to believe she is guilty.

If she made up her story, when did she make it up? If she made it up after going to jail, how did she get it to match with Boner, King and Bonacci's testimony when she could not have had a chance to talk freely or extensively with them.

If she made it up before she went to jail, she couldn't have intended it as a way to get out of jail. If the story had any use in her mind to keep her out of jail, why did she not tell it when she was arrested in June? Instead she took the secret with her to jail and talked only at the encouragement of Gary Caradori. What made her change her mind?

Gary Caradori is supposed to have found out about her from talking to kids on the street. What did they know and how did they know it? Were they making it up too?

The role of the FBI requires some explaining. Judging from the content of their questioning, their failure to tape the interviews, their collaboration with Pamela Vuchetich, their failure to administer a lie detector test, and most important, their failure to interview *any* of those Owen accused, it appears they had an agenda other than investigation. Were they trying to cover something up? Why did they orchestrate the call from Troy to Alisha and attempt to set her up at a time when they said she was regarded as a victim?

Finally, why try her for perjury at all? When allegations of sex abuse cannot be proven the usual procedure is to drop the case. They are killing a fly with a sledge hammer.

True, there are holes in Alisha's case, although in my opinion, not as many as the mainstream media reflect. Why, for example, did she tell her parole officer she met Boner in 1988? Except for Paul Bonacci, why is there such a scarcity of corroborating witnesses? One important member of the cast of characters, Larry the Kid, is conspicuous by his absence. Larry the Kid, however, may turn up yet. Sources close to the grand jury report that there was a similar person described by a witness that the grand jury found credible. He was referred to as "Larry's horse."

The trial is loaded with enough such irregularities as to leave the feisty Mr. Rosenthal plenty to work with in the event an appeal is necessary. He has been working on this case without charge for over a year—somehow we doubt that he will be stopped by a conviction.

## Chronology, from preceding page

left the authorities relieved of blame. Sen. Ernie Chambers, who had opposed a grand jury investigation all along, cried foul and questioned Van Pelt's history and qualifications.

On March 19 1990, the grand jury began interviewing witnesses. They met for 82 days, but they did not interview Larry King. During their deliberations Danny King and Troy Boner recanted. In early July, as their deliberations were coming to an end, Gary Caradori's plane crashed in Illinois as he and his son were returning from an All-Stars game in Chicago. On July 23, the grand jury made its findings public: they produced a report that cast the stories of abuse as a "carefully crafted hoax," with Mike Casey as the main orchestrator. Kirsten Hallberg, one of the Washington County mothers, and Bonnie Cosentino, were labeled

as rumor-mongers. Three were indicted: Alan Baer for pandering, Paul Bonacci for three counts of perjury, and Alisha Owen for eight counts of perjury.

A month later, Donna Owen, Alisha's mother, filed a paternity suit against Wadman. Blood samples were taken in triplicate and sent to labs across the country. All three came back negative. The suit was dropped. Many in the community believed that it all had been a hoax. People in Concerned Parents and others felt that one more cover-up tactic had been successfully executed. Owen now has only one witness to corroborate her story, Paul Bonacci, who is now in prison for a sex offense against a minor and who suffers from multiple personalities. Bonacci has said he witnessed Owen and Wadman having intercourse.

## The Story That Brought the Indictment, from page 1

boy. Also the 501 game; unbuttoning someone's jeans with your toes. There was cocaine on a table. She saw Alan Baer use it; Wadman saw Baer use it.

Wadman was there. He talked to her, liked her. He asked her to spend the night, but they didn't. She didn't see Wadman or Andersen using drugs. Wadman left before she did. She was home by 1:30.

There was another similar party August 31, same place. Present were Alfie Allen, Larry King, Alan Baer, Robert Wadman, and later on, Harold Andersen. This time she got there about 8:00 - 8:30. Nobody was there except Alfie. They left and went to the Spaghetti Works for dinner and didn't have to pay for it because he signed for it. Then they returned to the apartment. There were about 30 people there at that time including Larry King, Wadman, Baer, and the French Cafe owners. Sheila, a manager at the Cafe, came to discuss problem with the Cafe owners and left shortly. Alisha got drunk on champagne. Alisha began to play the 501 game. Wadman was watching at this time and asked if she could unzip his pants with her teeth. She laughed and said she could. She got embarrassed, said the people around her started cheering her on, so she did it. Wadman began to ask Jeff about her. He asked if she was a virgin.

Wadman sat her on his lap, played with her breasts and thighs, and gave her tastes of cognac. Larry King and Troy were carrying on an unidentified activity. Baer grabbed Troy. Photos were taken. All the adults left early. That night she had sex with Boner. No pregnancy protection, she recalls, because she was a kid.

Then she stayed away from the parties for a while. Finally Troy called and asked why she hadn't been coming to parties? No invitation was needed. She started telling her folks she was going to football games. Next party she had told her folks she was going to a football game and went to another party. Troy was there, Alfie Allen, Jeff Hubbell, Larry King, Anderson. Wadman was there started fixing champagne for her. She had on a leather jumpsuit she had bought for homecoming which was about ten years too old for her. Wadman began to unbutton jumpsuit. She said stop, he twisted her arm, looked at her real mean asked her where her folks thought she was so she let him. He pinched her breasts, talked the whole time. By this time she had had sex with Boner. Wadman said he knew she wasn't a virgin and wanted to know what her folks would do if they knew. She was scared. He forced her to perform fellatio. She cried after words he held her on his lap told her he would never let anybody hurt her. He was a policeman and she should go to Brandeis on Monday and pick out a dress for herself, no matter the price and put it on hold under her name. He said she was to meet him for lunch on Wednesday, just to leave school. He would pick her up on the bus

stop at 20th and Dodge at 1:00 pm.

September 21, Wadman picked her up at Central. He came in a brown -K-car no radio no lights. One account says this happened during regular hours. Another says 2:00 p.m. The French Cafe closed after lunch at 2:00 p.m. The bartender was there. Sheila let them in the door and they had a champagne lunch. He took her downstairs "to see the wine cellar."

Down the basement he told her how pretty her skin was. She had good taste in clothes. Would she put the dress on for him? She started to look around for a room to go into but he said do it here, you don't have to be ashamed in front of me, you have a beautiful body, etc. She put the dress on. He flattered her, said she had beautiful skin, etc. said she would be prettier without dress. He pulled the dress up around her hips, she began to cry. He began to masturbate. When he climaxed she jumped back and he got very angry. He grabbed her hair and said when I tell you to sit you sit, don't ever do that again! He was in a big hurry to leave. She changed out of her lacy new dress and quickly followed him up the steps and out the back door. He left her then to walk to the bus stop alone.

After that she met him every Wednesday

for lunch. Sometimes he picked her up sometimes Larry the Kid picked her up. If Larry picked her up she was taken to a motel and some other man (unknown to her) would be in a room waiting for her. Where did they go? Starlight Motel, Holiday Motel, Bellevue, the Quality Inn.

Once it was the prominent judge but she didn't know his identity at the time.

On a Saturday afternoon, October 1983 there was a party at the French Cafe, 1:30 to 4:00. Larry King hosted. Twenty-five to thirty adults were present, some couples and some teenagers as well as three boys from Boys Town, brothers who were black. One was named O'Dell. Neither Troy nor Danny were there. Jeff Hubbell was not there. Larry the Kid said there was someone downstairs who wanted to meet her, and she had better like him. Also, it would be in her best interests to go. She knew from previous experience she would be hurt if she didn't go. She did not know when she went down into the basement that sex would be involved, but drank a glass of champagne before she went. In the basement was a prominent judge. She described him in detail. 5'10" to 6'. Late 40's, hair dark, not in good physical condition, overweight by about 50 pounds. Clothes off. Has a peking

face, slanted eyes. Heavy lids. Jowels. Not wearing glasses, but had indents for them. He asked if she was a virgin, she said yes. He said she really wasn't his type, said she had a pretty mouth, told her to perform oral sex. She did it. No money was offered, none asked for. He was standing, leaning on a table, she was crouched. She cried, vomited afterwards and was taken home. She thought he said thank you.

She saw him once again. January or February. She was taken to the Starlight Motel by Larry the Kid. The was not wearing a suit, it was sports clothes. He was undressing. Kept saying I was not really his type but he liked my mouth. She thought he preferred boys. He did not touch her any place. He performed anal sex on her. He was 50 pounds overweight. Bird legs. Flabby pectorals. Kept using some boy's name, saying "do it like \_\_\_\_." She said he wasn't large, maybe 3" in erect state.

Alisha remembers having intercourse with one or two others besides Wadman in the fall of '84, both at the Starlite. One she described as short and having red hair.

By Sept '84 pregnant. Wadman wanted her to get an abortion, but she didn't. They stopped meeting.

## Environmental Groups Unite to Form Campus Resource Center at UN-L

by Dave Regan

Four student organizations at the University of Nebraska-Lincoln have signed an agreement to establish a non-profit, student-operated *Environmental Resource Center* at UN-L.

Ecology Now, Wildlife Club, Biology Club, and the Natural Resources Law Society have formed an Operations Committee which is overseeing development of the Center. The Committee has appointed a director, Jeff Riggert of UNL, who will manage the Center's day-to-day operations.

The Environmental Resource Center (ERC) will be a place where anyone can go (or call) to obtain information related to protection and appreciation of the Earth's environment. A wide variety of information is to be made available -- ranging from gardening to politics, vegetarianism to hunting, bicycling to mass transit, and ozone depletion to the next big canoe trip.

Information sharing agreements have been established between the ERC and various established organizations -- such as the University Department of Forests, Fisheries and Wildlife, the UNL Biology Department, the Nebraska State Energy Office, and the Student Environmental Action Coalition (a national group, nearly 100,000 strong). The ERC will also make information available

about ecology-related job opportunities.

Like a library, the ERC will make available a wide range of periodicals, books, institutional publications, video-cassettes, and current information on the workings of other ecologically-concerned organizations. The ERC will provide a "check out" service for the general public.

Networking will be among the Center's main functions. We will maintain current contact lists to make it easy to get in touch with various local, national and international entities -- including government agencies, polluters, community activists, and ecologically-concerned employers. We will also regularly publish a newsletter which will contain local environmental news and a current "combined calendar of events," listing the programs and projects of various environmental groups.

The Center will also conduct education campaigns, on topics approved of by the Operations Committee. Campaigns to raise awareness and encourage action might focus on such topics as ecological shopping, ozone layer depletion, or University energy policy. Campaign strategies will involve extensive pamphleting, radio and television public service announcements, public speaker forums, and mass mailings.

If all goes well, the Center promises to be

a comfortable place to just hang out. Folks have been offering to donate couches, art, plants and aquariums -- along with books and the like -- to help make the Center a pleasant place to visit. The ERC will be open to the public beginning Sept. 17. It will be located in Room 236 of the Nebraska Union on UNL's City Campus. It should be open and staffed for at least six hours daily (we're looking into the College Work Study Program for aid in paying Center staff).

Please feel free to jump in with ideas, suggestions, and donations of time or materials (all donations are tax deductible through the University Foundation). You can contact the Center Director, Jeff Riggert, at 472-6975; Or write to: Environmental Resource Center, c/o Ecology Now, Rm. 222 Neb. Union, Lincoln, NE 68588-0455.

# 'Chief of Staph' Says He's a Real High Flyer

Dear Lulu:



loony and, believe me, I can spot 'em ever since my Lloyd went over, so I'm wondering what can we do about this?

A Bus Rider from Bushnell.

Dear Bus:

It appears you think you were seated next to John Sununu, winner of the "Fat, Old Rudy Vallee Look-Alike Contest," held each year in New Hampshire. Mr. Sununu specializes in flying solo on a government C-20 Gulfstream twin-engine jet, costing \$2,780 per hour to you and I—\$398 for Fat Rudy, per trip. As for the man really beside you on the bus, it sounds like a bad Grand Island taco to me. A little Pepto should cure it. Thanks for writing.

Love Lulu.

Dear Lulu:

I keep thinking I've seen our fine governor, E. Benjamin Nelson, in the movies. I know this is crazy but it's driving me around the block! Am I right, wrong or just a silly goose?

A Movie Buff in Council Bluffs.

Dear Buff:

You are very perceptive. Unknown to most, E. Benjamin made a guest appearance in "Ghostbusters" as the Stay-Puff Marshmallow Man. Prior to this appearance, our governor was the stand-in for Ben the dog in the Our Gang series. And you thought he was boring.

Love Lulu.

Dear Lulu:

I read in the Omaha World-Herald that President Bush is going to "keep" our fine Vice-President, J. Danforth Quayle, in 1992. My Webster's says "keep" means "to be faithful to." This is just shocking to me because I love that Barbara Bush and her little dog Checkers and all the little Bushes and their savings and loan antics. And now the President has deserted them for that silly Quayle boy and a few fringe votes. What can be done about this dreadful turn of events?

Love, Dappled in David City.

Dear Dappled:

First of all, throw away your Webster's. Sometimes any knowledge is a dangerous thing. The word "keep" has had many meanings throughout history. For example, "A man is known by the company he keeps." What about the 1673 saying, "Keep no more cats than will catch mice?" Or the 1605 Keep your shop and your shop will keep you?" Or the 1583 "Why keep a dog and bark yourself?" But according to a poll of the relatives here in my kitchen, President Bush was undoubtedly thinking of the definition given by William Painter in 1673, "Keep a thing seven years and you'll always find a use for it." Let's hope he does.

Love Lulu.

Tired of the boil on your husband's neck?  
Sick of sewage treatment and politics?  
Write to Dear Lulu, c/o Nebraska Observer, etc.

Dear Lulu:

Why do they let these poor deranged people out on the street? I was on the bus to North Platte last week, sitting next to this fat man named John Sonnywhowho, and he claimed he was the "Chief of Staph" for our President Bush, or something like that. This nut claimed he used to ride in a plane "all by himself" before they got wind of him. I told him he was

## Peace-Seekers Should Pray While Facing Tibet

by Colman McCarthy

WASHINGTON—Spiritual blandness vaporized away like weak incense when the Dalai Lama toured the United States last month. His stopovers with George Bush and congressional leaders were predictably cordial, but it was a meeting near Santa Fe, N.M., where the religious boldness of the Buddhist monk came into full view.

There, the spiritual leader of Tibet co-signed and fervently endorsed the Universal Declaration of Nonviolence, a document stating that "All forms of violence, especially war, are totally unacceptable as a means to settle disputes between and among nations, groups and persons."

The "all" and "totally" are what's radical and are what separates the Dalai Lama from most religious leaders and nearly all political ones. He is credible as both a theorist and practitioner of nonviolence because, since 1959, he has been exiled from his Tibet homeland while Chinese dictators have killed hundreds of thousands of Tibetans. They have destroyed monasteries and the monastic life, and imprisoned Buddhist monks and nuns who have demonstrated for Tibetan independence. A culture has been unconscionably assaulted.

Throughout the 32-year siege, the Dalai Lama, as steady as a prayer wheel, has never wavered from advocating the purity of organized nonviolent resistance as the only moral way of ridding Tibet of China's brutalities. On winning the Nobel Peace Prize in 1988, he argued that the force of nonviolence was both politically practical and spiritually enlightened: "If Tibet took arms (against China), followed the violent course, that's almost like

suicide. I understand that there are desperate feelings, (but) I always believe that nonviolence is something important. The best way to solve human conflict is through understanding, not fighting. Patience."

Yes, yes, say the worldly wise who applaud the Dalai Lama's speeches at international conferences, but who then dismiss his ideas as the surreal dreams of a man who, his head in the Himalayan clouds, lives in a fantasy world. That is the perennial put-down of pacifists. Let's get real, they are instructed: when an invading army crosses the border, it's armed might, not an essay by the Dalai Lama, that counts.

This is the conventional thinking of most Western religious leaders, including the Pope. During the Gulf War, John Paul II aligned himself philosophically with George Bush: "(We want) a just peace certainly, but we are not pacifists. We do not want peace at any cost."

This was a misreading of pacifism, equating it, as is commonly done, with passivity or, worse, appeasement. The intellectual shallowness of the Pope ignores what the Dalai Lama has understood for three decades: that nonviolent resistance is for the strong-willed and the principled who refuse to rely on the illogic of stopping the enemy's bad violence with my good violence. In Tibet, the Buddhist resisters who are staying faithful to the vision of their exiled leader are remaining well short of seeking "peace at any cost." They realize that the cost would be massively larger if they chose to fight the Chinese with guns. Leaders like the Pope who sanction the use of killing as a means to solve disputes turn their position upside-down: they accept war at any

cost.

In Tibet, the Dalai Lama consistently rejects those costs. A price is paid. He has felt pressure from some of his disciples who argue that nonviolence is failing and as a last resort violence is now justified. Almost without exception, all 20th century nonviolent leaders—Gandhi, Martin Luther King, Jr., Lech Walesa, Desmond Tutu, Mubarak Awad—have had to deal with doubt and grumbling in the ranks. From hotheads or hot-bloods, challenges to nonviolence arise when results are slow coming in. For the leaders, the struggle within the struggle is to keep the faithful faithful. "Once your mind is dominated by anger," the Dalai Lama says, "it becomes almost mad. You cannot make right decisions, and you cannot see reality. But if your mind is calm and stable, you will see everything exactly as it is. I think all politicians need this kind of patience."

Religious leaders, too. The Universal Declaration of Nonviolence, which the Vatican and Church of England would not sign when asked to by the Dalai Lama, states, "Religion can no longer be an accomplice to war, to terrorism, or to any other forms of violence, organized or spontaneous, against any member of the human family." In the Gulf War, Bush had bishops and preachers blessing American violence, and Saddam Hussein called on Allah to bless Iraq's. Only the Dalai Lama and a few other spiritual masters are holding out for nonviolent alternatives. Perhaps, instead of looking to Rome, Canterbury or Mecca, seekers of peace should say their prayers and face Tibet.

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# Media Blitz Obscures Downsides of GATT

by Dean Baker

The author teaches economics at Bucknell University, Lewisburg, Pa.

Reprinted from *Lies of Our Times*, with permission.

As the latest round of world-wide trade discussions ended in stalemate last December, the New York Times pulled out all stops trying to convince readers of the wisdom and justice of its and the administration's cause. From December 3 to December 16 the Times ran 12 articles on the talks, which are aimed at amending the General Agreement on Tariffs and Trade (GATT). In every article, the paper implied or directly stated that reaching a new agreement along the lines proposed by the U.S. would be advantageous to people here and around the world, particularly those in the Third World. It indicated that the only people opposed to such an agreement were nefarious "special interests," mostly Europe's ten million "toy town" farmers, protected by Kohl, Mitterand, and Co. (Its December 9 editorial [p. 24] was titled "The Europeans Sabotage Trade.") It also managed, despite such extensive coverage, to avoid discussing some of the most important provisions, and failed to present the views of a single individual opposed to the GATT proposals.

Briefly, the major thrusts of the new GATT proposals were to bring about "freer" trade in agricultural goods and financial services, and increased enforcement of patents, copyrights,

and licensing agreements throughout the world. For agriculture, the U.S. plan called for the removal of a wide variety of state subsidies, import controls, and supply restrictions. The major target here was ostensibly the European Economic Community, which provides its farmers with substantial subsidies enabling a large family farm sector to survive. The U.S. plan would open European markets to exports from the U.S. and elsewhere. This would benefit both consumers in Europe, since they could get cheaper food, and producers in the U.S. and Third World who would now have larger markets. The Times made a special point of calling attention to the plight of the Third World on this one, repeatedly referring to support from Third World governments for the U.S. position.

## The Real Impact

While the Times' story of the gains from removing agricultural trade barriers sounds appealing, it obscures the real impact of these measures. In the Third World, the efforts of many nations to strive for self-sufficiency would be undermined by the GATT accords, which would prohibit any of the protective measures needed to promote domestic food production. Instead, Third World nations would be driven further to producing luxury crops, such as bananas, coffee, or cocoa, for export and forced to import much of their food.

This form of export agriculture is also

likely to lead to large-scale displacement of the rural population, which would be forced into already overpopulated cities, in desperate search of employment. In addition, crops such as coffee and cocoa are subject to large and unpredictable price fluctuations, and depressed prices can lead to economic devastation and even starvation. Many Third World nations, such as Nicaragua under the Sandinistas, sought to increase their level of self-sufficiency precisely to avoid the occurrence of such a disaster.

In the case of Europe's farmers, a pattern of life for millions will be destroyed if these measures are implemented, as family farms would be quickly wiped out and replaced by large-scale agribusiness. There would be widespread unemployment, shattered families, and a radically altered rural landscape.

The prospect for the U.S. farm sector would be little better. Under current farm policy, major crops in the U.S. are sold below the cost of production, with the difference made up by government subsidies. If the GATT proposals are adopted, the subsidies would be eliminated, accelerating the decline of U.S. family farms. Some big farmers would benefit, and large trading companies such as Cargill stand to make billions in additional profits from an increase in the size of international trade flows. Cargill and other grain traders are powerful lobbyists who have pushed hard to advance the GATT proposal. The Times neglected to mention these special interests in its coverage.

Another set of special interest beneficiaries are manufacturers of fertilizers and pesticides. These companies stand to gain from the elimination of import restrictions and constraints on food production, and increased demand for fertilizers and pesticides. Agribusiness is likely to employ more capital intensive techniques, using more fertilizers and pesticides than the family farms it will be replacing.

As a big added bonus, the GATT agreements will make it all but impossible for state or national governments to place health or environmental restrictions on the use of chemicals in agriculture. Any effort to impose such restrictions will be viewed as a potential barrier to free trade. A restriction's acceptability as a health or environmental regulation will be judged by a GATT council consisting of unelected delegates appointed by the various governments. Thus at a time of increasing environmental concern and awareness throughout the world, a major realm of potential action will be removed from popular control.

In fact, all forms of environmental regulation will be subject to review by GATT's council. This means measures protecting rain forests in Latin America, reducing clear-cutting in the Philippines and Indonesia, or protecting wildlife from oil drilling along the U.S. coast all could be overturned by an unelected GATT council. Corporations have often followed the strategy of removing

environmental regulations from the jurisdiction of a particular governmental body when they found that it could no longer be controlled. Most recently, pesticide companies had comparatively stringent California standards negated by more lax federal standards. This issue was unmentioned in the Times.

## The Intellectual Property Quagmire

Another component of the GATT accords is the tightening of enforcement of copyrights, patents, trademarks, and licensing agreements across international boundaries. This issue has been of concern to U.S. corporations, as there has been a great deal of production of goods in Third World nations such as Brazil, Argentina, Thailand and Taiwan, in disregard of U.S. law on property rights. For example, Brazilian and Argentinean pharmaceutical companies manufacture drugs, for which U.S. firms own patent rights, without paying any license fees. Firms in Taiwan and Thailand produce records, videos, and toys without paying any royalties to the U.S. firms that own the copyrights or trademarks. This type of manufacturing has accounted for a significant amount of economic growth in these countries. It has also brought down the price of these goods tremendously, which means not only cheaper toys and videos, but also affordable lifesaving drugs for many Third World people. The Times articles include no discussion of the extent to which the economies of Third World nations might be hurt by increased enforcement of "intellectual property rights," nor of the cost to consumers, both here and in then Third World. Peter Passell even cites the \$250 million in losses the Pfizer Corporation endures as a result of copycat versions of its drug Feldene produced by Third World competitors, without mentioning that protection of Pfizer's patent rights would involve a large redistribution of income from the Third World to Pfizer ("Adding Up the World Trade Talks: Fail Now, Pay Later," December 16, 1990, p. E3).

Interestingly, the economic argument for not enforcing patents, copyrights, and other forms of intellectual property is exactly identical to the economic argument for the benefit of free trade. These claims to property can be seen as archaic obstructions to a free flow of goods and services between consenting parties, which lead to inefficient outcomes, such as higher prices and reduced output. None of the Times articles ever considered this point.

There are other provisions in the GATT proposals that are designed to free up trade in ways that will allow firms to roam the globe freely in search of the cheapest labor and least restricting environmental legislation. Trying to convince his readers that this is in the public (as well as transnational corporate) interest, Peter Passell points to the great economic success stories of Thailand and South Korea (December 16, p. E3). While the na-

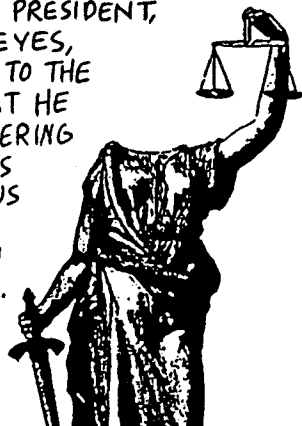
Continued on page 12

## ECONOMIC JUSTICE

RECENTLY, JOHNSON CONTROLS LOST A CASE IN THE SUPREME COURT BECAUSE IT HAD DENIED WOMEN THE RIGHT TO WORK AT HAZARDOUS JOBS.



SOON AFTER, JOHNSON CONTROLS PRESIDENT, JAMES KEYES, ADMITTED TO THE PRESS THAT HE WAS CONSIDERING MOVING HIS HAZARDOUS BATTERY OPERATION TO MEXICO.



AFTER ALL, WHY BOTHER OBEYING THE UNITED STATES SUPREME COURT WHEN YOU CAN EXPLOIT WORKERS IN MEXICO.



MEANWHILE, GEORGE BUSH IS PUSHING FOR FAST-TRACK PASSAGE OF THE US/MEXICO FREE TRADE PACT...



KONOPACKI  
10/91  
HUCK/KONOPACKI CARTOONS



# Is ConAgra Controlling World Ag Policy?

by Gene Erb

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The world's large food corporations are replacing governments as shapers of agricultural policy, according to two University of Missouri rural sociologists.

Douglas Constance and William Heffernan, who have studied the growth and activities of large "transnational corporations" engaged in the production and marketing of food, say the companies are shaping a food system where corporations "decide what kind of food will be grown where and by whom." They add: "The implications of this are devastating for nation states trying to establish food security."

Heffernan said he and Constance began by looking at the concentration of agricultural markets in the United States, "not commodity by commodity but firm by firm because the large firms are into everything—beef, pork, poultry and even catfish."

They soon discovered it made more sense to study agricultural issues on a global basis because the large corporations operate all over the world.

"What we've found is that we've got just a few companies putting together the world food system—most notably ConAgra, Cargill, Ferruzzi and a group of Japanese companies that work together," said Heffernan.

Cargill spokesman Gregory Lauser said it appears to him that the study's assertions "are far-fetched and unsupported. There doesn't seem to be very much underlying economic analysis."

Lynn Phares, a ConAgra spokeswoman, said: "In thinking of all the ways governments around the world influence us, I would wonder what they mean. But I really would hesitate to comment on a study I haven't seen, especially one as unusual as this one sounds."

**Editor's note: when the Observer called to give them another chance to respond, the answer was the same.**

Ferruzzi officials could not be reached for comment.

Constance and Heffernan said other major players include Archer-Daniels-Midland, Continental Grain and International Multifoods, based in the United States; Nestle of Switzerland; and British Petroleum/British Nutrition, Hillsdown Holdings, and Unilever of the United Kingdom.

## Corporate Shaping

An example of corporate shaping of the global food system can be seen in Indiana, they said, where Ferruzzi Finanzaria SpA, a giant Italian firm, has formed a joint venture with Mitsubishi of Japan to grow and process pork for export to Japan.

Also, Cargill is producing chickens for export to Japan in a joint venture in Thailand, and Tyson Foods Inc. has been growing chickens in Arkansas and shipping their legs to Mexico for deboning, the researchers said.

"The companies simply are concerned with where they can produce the cheapest," said Heffernan.

In their recent paper, the sociologists say large food corporations are pushing for an end to all state protectionism in support of food security:

"This is the thrust of the General Agreement of Tariffs and Trade—global deregulation of national agricultures." After deregulation, these corporations "will decide what role each nation/state will play in the new world order based on comparative advantage."

Their paper focuses on the growth and global activities of three agribusiness giants—ConAgra Inc., based in Omaha; Cargill Inc., based in Minneapolis; and Ferruzzi Finanzaria SpA, an Italian conglomerate that owns Central Soya Co. Inc., an Indiana-based soybean processor and grain merchant.

All three firms have grown significantly through acquisitions, the researchers say. According to their paper:

\* ConAgra's sales soared to \$15.5 billion last year from \$847.1 million in 1980. Net income grew to \$213.7 million from \$18.5 million, and assets grew to \$4.8 billion from \$347.5 million.

"ConAgra...is a major distributor of agricultural chemicals and fertilizers in the U.S. ConAgra is the second-largest broiler producer and processor, largest sheep slaughterer, second-largest catfish processor, and largest seafood processor in the U.S.," the paper says.

ConAgra is the nation's largest wheat-milling company, one of the larger soybean processors, the second-largest beef slaughter firm, and one of four firms slaughtering about 45 percent of all U.S. hogs.

In addition to producing, processing and marketing basic commodities, the company makes and sells processed meats, dairy products and frozen foods.

In 1990, ConAgra agreed to buy Beatrice Co. for \$1.34 billion, a move that made it the nation's second-largest food company. It also acquired 50 percent of the meat operations and other businesses of Elders IXL Ltd., an Australian company; and majority interest in Societe Anonyme Mediteranene de Salaisons, a French firm.

Also, ConAgra formed joint ventures for beef and lamb exports; for distribution of frozen foods in Japan; for oat procession in Chile; for feed, poultry and swine operations in the Soviet Union; for nitrogen fertilizer distribution in the United States; and for other operations in Australia, Canada, Europe, the Far East and Latin America.

\* Cargill's sales increased to \$43 billion in 1989 from \$29 billion in 1981 and \$2 billion in 1971. The company is privately held and seldom reports financial results publicly. Earnings were \$285 million in 1985, compared with \$207 million in 1981.

Cargill has nearly 800 plants or offices in 60 countries and employs about 55,000 people. It buys, sells, processes and transports commodities worldwide, including grain, orange juice, cotton, scrap metal, molasses and fertilizer. Cargill is the No. 2 flour miller, No. 1 wet corn miller, No. 2 soybean crusher, No. 4 turkey processor, No. 3 beef processor, No. 1 feedlot operator, No. 4 hog grower and No. 3 hog slaughterer in the United States. It also has beef operations in Honduras and Brazil.

\* Ferruzzi's agribusiness group sales grew to \$11.43 billion in 1989 from \$10.29 billion in 1988. Sales for all Ferruzzi groups totaled more than \$30 billion in 1989.

The company owns the U.S.-based Central Soya, a leading soy processor and international feed supplier with feed plants in the United States, France, The Netherlands, Portugal, Puerto Rico and Trinidad.

Ferruzzi is a leader in Europe in the production of sugar, rice, oils, proteins, animal feeds and starch. It operates oilseed crushing plants in Italy and Spain, corn wet-milling plants throughout Europe, and sugar-beet processing plants in Italy and France.

It is the largest fruit and vegetable processor in Brazil and has several million farm acres in Europe, South America and North America.

## How ConAgra Became A World Power

**February 2, 1987** ConAgra buys E.J. Miller Enterprises of Utah, enters boxed beef business.

**February 9, 1987** ConAgra acquires Mearns cotton firm of Memphis, assigns it to ConAgra Trading Companies which merchandises about 100,000 bales of cotton per year in the U.S., Europe and the Pacific Rim.

**March 23, 1987** ConAgra completes merger with Trident Seafoods Corp., will source, process, and market to domestic and export markets from Seattle, Wash.

**March 30, 1987** ConAgra buys Monfort of Colorado for \$354.5 million. Monfort is one of the top cattle feeders and lamb slaughterers.

**May 4, 1987** ConAgra agrees to buy 50 percent of Kurt A. Becher GmbH and Co. KG, of Bermen, West Germany, an international feed ingredient and grain trading company.

**June 22, 1987** ConAgra buys O'Donnell-Usen Fisheries Corp., of Boston, Mass. with operations in Nova Scotia and Prince Edward Island.

**June 22, 1987** ConAgra Turkey Co. buys Merrill Feeds.

**September 21, 1987** ConAgra to buy 59% of SIPCO with provision to buy the remaining portion within four years.

**November 2, 1987** ConAgra buys Longmont Foods of Colorado. Becomes the number two turkey firm.

**December 9, 1987** ConAgra and Dupont form joint venture called DuCon to serve selected feed, food, and electronic markets.

**February 22, 1988** ConAgra to buy International Multifoods' 8 US flour mills. Int. Multifoods still has flour operations in Canada and Venezuela with leading market shares. Int. Multi also had feed mills in Mexico (6-20-88). ConAgra already has 22 other mills in 13 states.

**June 27, 1988** ConAgra acquires Mott's poultry processing of Mississippi with five plants. ConAgra also buys Blue Star Frozen Foods and Lamb-Weston, Inc., the US's largest frozen potato processor. Also buy Spicetec Ltd., a spice import and marketing business in Maywood, Ill.

**August 29, 1988** ConAgra to build oat processing plant in South Sioux City, NE. This will double ConAgra's oat capacity and make ConAgra one of the country's largest suppliers of industrial oat products.

**November 14, 1988** ConAgra and D.L. Berger Assoc., Inc. (subs of ConAgra) form international commodities trading firm called Berdex International.

**November 21, 1988** ConAgra to expand its oat milling plant in South Sioux City, NE.

**February 20, 1989** ConAgra buys grain handling operations of Pillsbury in the US. This includes 40 grain handling and storage facilities in the midwest. This gives ConAgra more than 100 grain facilities.

**March 27, 1989** ConAgra buys Amarillo beef plant from Val-Agri.

**March 27, 1989** ConAgra to convert two flour mills in New York and Minnesota to oat mills.

**March 27, 1989** ConAgra to lease corn mill in Atchison, Kansas from Elders Grain of Australia. Dry corn milling is a new business for ConAgra and the deal includes an option to buy.

**April 24, 1989** ConAgra and W. Jordan Millers Ltd. of England form joint venture called Cereal Millers Ltd. to process and distribute food oat products throughout Europe.

**July 31, 1989** ConAgra's subs., Longmont Foods, to build new feed mill in Colorado.

**August 7, 1989** ConAgra buys the remaining 50% interest in SIPCO.

**October 23, 1989** ConAgra and Westglen Milling Co. to form joint venture called Westglen Milling Ltd. to be headquartered in Alberta, Canada. It will be part of ConAgra's subs., Agro Co. of Canada Ltd. Westglen will build a state of the art oat and barley processing plant.

**February 2, 1990** ConAgra Europe has acquired majority interest in Societe Anonyme Mediterranene de Salaisons (SAMS), a French firm which distributes processed meats. The purchase includes DISPRAL SA.

**April 30, 1990** ConAgra Grain Co. and Consolidated Grain and Barge form a new company, Superior Barge Lines, Inc., out of St. Louis, MO. Consolidated has more than 40 grain terminals. ConAgra will have 80% interest.

**June 4, 1990** ConAgra and USSR State Commission for Food and Food procurement have reached an agreement via Chairman of the Soviet Commission V.V. Nikitin and Charles M. Harper, CEO of ConAgra to increase production and feed conversion for poultry and hog operations.

**June 11, 1990** ConAgra to buy Beatrice from Kohlberg Kravis Roberts and Co. This makes ConAgra the US's second largest food company, behind Philip Morris, and also the largest turkey producer. Also many brand names such as Orville Reddenbacher, Hunt/Wesson, La Choy, Peter Pan Peanut Butter, Swift/Ekrich, Butterball, and Manwich.

# Waste Disposal Giant, Often Under Attack, Seems to Gain From It

by Jeff Bailey

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OAK BROOK, Ill.—Environmentalists keep attacking Waste Management, Inc. And it just keeps getting stronger.

Citizens Clearing House for Hazardous Wastes, Inc., of Arlington, Va., publishes a how-to guide giving local groups tips for combating the big trash—disposal company. Greenpeace, another environmental group, put out a 64—page list of the company's alleged misdeeds and now is preparing its second list, tentatively called "An Encyclopedia of Environmental Crimes and Other Misdeeds." Charles Cray, the Greenpeace official compiling the charges, says Waste Management is "the worst."

Yet, for all their enmity, environmentalists trying to clean up the trash business have helped Waste Management a lot more than hurt it. The more pressure they have put on the company and its industry, the bigger, stronger and more profitable Waste Management has become. The business has become so complicated and contentious that now only a company with Waste Management's clout seems likely to succeed on a big scale. Although protests and sanctions may slow Waste Management down, they make the business even less feasible for smaller rivals.

"If it was easy, we'd have lots more competition," says Dean L. Buntrock, who helped fashion the company out of a collection of small sanitation firms and now is its chief executive officer. "A lot of CEOs of other companies figure, 'Why do we need it?'"

Even Borg-Warner Corp., a chemical and industrial-products giant, considered the garbage business in the early 1980s but was scared off, says Jerry E. Dempsey, Borg-Warner's former president and now head of Waste Management's 76 percent-owned hazardous-waste unit, Chemical Waste Management Inc. "It was perceived as being a difficult business," he says.

## Counterproductive Effort?

Now some environmentalists wonder whether they helped create a monster. Luke Cole, an environmental lawyer for the California Rural Legal Assistance Foundation, says Waste Management's savvy makes it a formidable foe. "It's much easier for a community to run a smaller company out of town," he says.

In just four years, Waste Management's revenue tripled to \$6.03 billion last year, and earnings doubled to \$684.8 million. Its growth has far eclipsed that of such glamorous companies as Apple Computer Inc. and Microsoft Corp. In 1971, when Waste Management went public, its market value was \$20 million.

Today, it is \$19 billion.

And its prospects for growth remain impressive. In the 1990s, new federal rules will probably close half the nation's 6,000 garbage dumps, and make Waste Management's dumps—all of which already meet the new regulations—even more valuable. Its share of the U.S. garbage business is expected to double from the current 12 percent within a few years. It is the only major company handling both everyday trash and hazardous wastes, and it is expanding into air—and water—pollution control.

## An Army of Lawyers

Waste Management has certainly become a tough opponent. It has 80 lawyers—a legal army that it terms the largest private environmental practice in the country. At any one moment, that army can be fighting for as many as 100 permits either for expanding facilities or opening new ones. And its attorneys are so adept that the Citizens Clearing House handbook advises opposition groups not to sap their energies trying to fight it in court. Instead, it suggests such moves as persuading landowners not to sell to the company and using grass-roots political tactics.

Waste Management also has 22 Washington staffers who lobby for favorable legislation related to garbage and hazardous waste. And the company's political action committee has become a large political contributor, giving more than \$1 million in the past four years. In the same period, the company gave \$1.5 million to environmental and wildlife groups.

No one else in the business comes close to Waste Management's size. Houston-based Browning-Ferris Industries Inc. is half as big. Moreover, it dropped out of the hazardous-waste business last year, and it is having problems in its traditional sanitation business because it doesn't have enough dumps. The rest of the garbage business consists mostly of smaller regional companies and mom-and-pop outfits.

Though Waste Management contends it is environmentally responsible, its grip on the industry troubles some people as dump space dwindles and the need to recycle and other environmental problems increase. The company is rapidly becoming the dominant player in many of these issues, and its enormous influence is all the more worrisome because of its history of environmental violations. The company has paid fines and related settlements exceeding \$50 million—for actions such as unplugging pollution monitoring devices and disposing of poisonous material by mixing it with oil.

Some critics charge the company with a cavalier attitude toward such fines, which are

small compared to its huge profits and anyway, raise the stakes for competitors. The fines are also minor compared with the cost of closing down some of the company's sites.

In 1983, for example, Waste Management was caught in large-scale violations at two sites, but the penalties proved to be minor. Instead of destroying material laden with cancer-causing PCBs (polychlorinated biphenyls) as it was supposed to, a company operation in Vickery, Ohio, diluted the material with oil. It then sold 6 million gallons of it as fuel and to coat roads. At about the same time in Emelle, Ala., where Waste Management operates the nation's biggest hazardous-waste dump, it had been caught illegally storing 2.8 million gallons of PCB liquids.

The company faced not only financial penalties but, more ominously, the possible loss of operating permits at the two sites. To negotiate with the U.S. Environmental Protection Agency and states, Waste Management retained a former EPA general counsel, Joan Z. Bernstein. The combined \$39.5 million in fines and related settlements ultimately paid may seem large: a \$600,000 fine at Emelle; \$12.5 million in fines at Vickery; \$11.4 million to settle a shareholder lawsuit for not promptly disclosing the trouble; and \$15 million to settle a suit by neighbors at Vickery who contended that their health and property values were threatened.

## Major Savings

But in fact, Bernstein, who is now Waste Management's vice president of environmental policy and ethical standards, had saved it money and helped ensure its future. Just to close down the two sites, under current regulations, would have cost the company \$42.4 million, it recently told Alabama officials. And that doesn't count the huge value of the operations as measured by their ability to generate profits. With its permits intact, the Emelle operation alone is probably worth well over \$200 million. A company official told the Birmingham News in 1989 that the Emelle dump's pretax profit that year would be \$19 million to \$31 million, on revenue of \$125 million. (Waste Management won't comment but doesn't dispute the figures.)

As unpleasant as the business might seem, company executives appear to love it. They talk about garbage incessantly, even over meals. Once a year, they hop on garbage trucks to "throw some loads." Mr. Buntrock sees nothing but opportunity: a series of "waste streams" to be "managed."

In the 1970s, before getting a dump permit became so difficult, Mr. Buntrock astutely loaded up on capacity by buying dumps from smaller firms and opening new ones. Today, the company has 126 garbage dumps—many of them huge. Securities analysts estimate

that these dumps already are worth at least \$1 billion more than they cost.

Waste Management's dumps have a clay or synthetic liner—or both—to keep contaminated water from seeping out. They have ground-water monitoring systems in case the liner leaks. They have methane collection systems, because rotting trash produces gas. And they are covered each night with dirt to keep down the bugs, rats and odors. A first-class dump costs close to \$500,000 an acre to build.

To win dump permits, Waste Management wears down local opponents in long costly legal battles. Although the local groups are often well-organized and sometimes guided by national environmental groups, the company persists. It gives way on small points, haggles back and forth and lobbies residents with reassuring brochures—printed on recycled paper.

It carefully sanitizes its image, referring to itself as an "environmental-services concern," to garbage dumps as "sanitary landfills" and to hazardous-waste sites as "residual management units." Mr. Buntrock dislikes references to the company as a trash hauler or dump operator—its main businesses.

In Naperville, Ill., where it eventually won an extension of up to 20 years on the life of a 234-acre dump, the company hand-delivered about 3,000 promotional packages—explaining how carefully it handles and buries garbage—to residents within a two-mile radius. When opposition remained strong, it went to a county-wide lobbying effort using its hundreds of employees who live in DuPage County. They stressed the fast-growing area's need for dump space and the lack of alternatives. That helped split a county commission vote, with officials representing the dump's immediate neighbors opposed but a larger group favoring the extension.

When Waste Management does suffer a setback, it quickly offers Plan B. In Lake County, Ill., residents—many of whom remembered a 1986 conviction of a Waste Management official, John Horak, for bribing the mayor of nearby Fox Lake—beat back a \$90 million dump-and-incinerator proposed by the company. So, Waste Management came back with a plan for a composting facility on the 165-acre site and got it approved.

## Mollifying Opponents

The company also tries to mollify opponents. When the odds seemed stacked against its getting approval to build a \$50 million incinerator at a hazardous-waste dump near Kettleman City, Calif., Waste Management made more than 100 concessions, including giving \$1 for each ton of incinerated waste to

Continued on next page

# The Real Agenda: Why Noname Is Still Nervous

by Patricia Dugaw

The author is on the steering committee of the noname group.

A May 26 World-Herald article reassures the public that we have nothing to fear from Omaha's Waste Management-run recycling plan. "Recycling Plan Gets High Grades—Mostly," it says, the only facet of the program undeserving of high grades being those darned citizens who aren't complying. The city tells us that 30 to 34% of citizens are complying (depending on when you ask), judging from a drive down my street on trash day, I don't think my neighborhood is raising the average. Others in different neighborhoods have told me the same thing. Lou Lamberty says they take their counts in the same way I do, by driving by. I noticed that the day the World-Herald reporter went to see for himself he too noticed few blue bags on the tipping floor. Glenn O'Bryan said that it wasn't a typical day, but we were told that Thursdays and Fridays showed better compliance.

You may think a person such as myself would be promoting recycling, and actually, I am. It's just that, to put it bluntly, we don't trust Waste Management, we worry that a force as powerful as that company (see *Wall Street Journal* article, preceding page) might not be seriously committed to either conservation or pollution control, and we suspect that what is really happening here is that we are about to be sold incineration as a way to solve our waste problems.

Even if the blue bag program succeeded (and nobody has yet defined success), we would have problems with it because we don't believe Waste Management, who make their money according to how much tonnage they handle, will ever promote reducing consumption. Even the city has failed us there. Reduced consumption is the real goal, isn't it?

Here are some of our complaints.

They aren't giving us any hard figures that would allow us to either measure progress or check up on them. What we want is the printout of the tickets from the trucks coming in

from Watts, the tare weights, gross weights, etc. What we have gotten back is that it would be too expensive to provide this, but we know this information already exists. That figure has to be there because it's how Watts and Waste Management are paid. We could then compare what they say is coming in with the landfill figures. The figures we have gotten thus far have not jibed, partly because we haven't gotten all the figures.

All they will give us is called a summary blue bag recycling program weekly report, out of the public works office.

First report had the total poundage received at the recycling center. After that it started changing; we never got that figure again, not even a weekly figure. Now the figures from the blue bag program includes the weight from the dropoff sites.

At first we were getting glass broken down by color. Then it was just glass. It took four weeks for them to weigh it because they said they would only weigh it when it was going to be shipped out. We have been told that the only thing that they have sold is newspaper, and it's far less than what ENCOR used to recycle. But when they were seeking the contract they told us they had *all* of the necessary markets. We just wonder why they aren't sending things out.

We also strongly suspect that the only #2 (HDPE 2 or high density polyethylene), plastic that is being pulled at the sorting station is milk bottles, but surprisingly few laundry and soap containers. They are not now dealing with any plastics except 1 and 2 and we suspect they're not really dealing with those.

May 21, no namer Ed Jaworski attended the Mayors Commission on Solid Waste meeting. The Public Works Department gave a presentation which started by saying recycling is very poorly supported; in other cities it reduced the waste stream by 8 percent. It costs more to recycle than to landfill (Could that be because we have a lot of hands on

sorting?). They then went into—guess wha—incineration, but they didn't call it that. They called it "thermal reduction." complete with overhead projection of charts. Their point was that incineration costs less than recycling. State Sen. Spence Morrissey, chairman of the governor's commission on solid waste said he wanted to keep the consideration of incineration before the commission at a town hall meeting the preceeding Wednesday. The Governor's commission hierarchy (based on the EPA hierarchy): 1.waste reduction, 2.recycle, reuse, and

*Continued on page 16*



Sorting recyclables at the tipping station

## Waste Management, continued from previous page

a county "greening" fund, \$5 a ton to a community-development fund and 50 trees a year to the area. It also put as many as five attorneys at a time on the case, which required a 1,000-page environmental-impact statement and lasted three years.

The project was eventually approved even though the company had already been fined \$2.1 million for expanding at the site without government clearance and not properly monitoring ground water. Moreover, the dump was hit by a landslide. A 35-by-14 foot wall of toxic dirt, 55-gallon drums and other waste collapsed—half a million cubic yards in all. At least one layer of the dump liner was torn.

With the approval, which came in January, Waste Management will be able to handle one-quarter of California's hazardous-waste incineration needs, at prices as high as \$1,000 a ton. Opponents sued in February to block the permit in a state court, charging, among other things, that locating the incinerator in the largely Latino area was discriminatory and would violate citizens' civil rights.

Yet as adept as the company is at getting its way, its assurances about environmental safety

don't always hold up. Its hazardous-waste incinerator on Chicago's South Side, for example, is one of only a handful of U.S. sites with a permit to burn PCBs. When the company acquired it in 1984, the incinerator had handled mostly local hazardous waste. But soon it was taking in trucks and rail cars loaded with PCBs from all over the Eastern half of the country—charging \$1,000 to \$3,000 a ton—and burning them round the clock.

### Several Lapses

A former employee at the site, Jack F. Tursman, alleges in a suit in a state court in Chicago that the incinerator was regularly overstuffed, resulting in release of poisonous smoke, and that spills of PCBs went unreported. He also says the pollution-monitoring equipment was at times unplugged. Mr. Tursman was fired in December 1987 for, the company says, mishandling a spill. (He denied it and sued for wrongful dismissal, seeking \$21,500 in compensatory and \$500,000 in punitive damages.)

After Tursman's allegations began to surface, Johan E. Bayer, who was then Chemical

Waste's director of environmental operations, visited the EPA's Chicago PCB chief, John Connell, in March 1988. Mr. Bayer told him about the alleged overstuffing and unplugging. Bayer also said that the company was investigating and that he himself had taken over the site from its managers, who were fired.

Connell says he was reassured by Bayer's visit. "I thought it was very significant that they were taking [an environmental officer] and putting him into an operating position. We were impressed, satisfied, that they were taking these steps."

The EPA subpoenaed the incinerator's records, charged the company with failure to monitor emissions and other violations, and fined it a record \$3,750,000. Waste Management "wrote the check out without blinking an eye," the EPA official says. But Connell never talked to Tursman or anyone who worked at the incinerator to determine how the violations occurred. "We let the records speak for themselves," he says. (At least one EPA criminal investigator did question an electrician who works at the site, though the company

says it hasn't seen any signs of a criminal investigation since summer 1989. The EPA won't comment.)

Waste Management did make changes. It hired a new general manager at the site, spent millions of dollars on new equipment, increased the staff 45 percent and shut down for a full month to retrain everyone. That done, the new general manager, Kurt Frey, pronounced the place as safe as can be. "If we're ever in doubt, we shut it off," he said in an interview last Jan. 31. Two weeks later, a little past midnight, an explosion rocked the site, and for two minutes sent a cloud of pollutants into the air. No one was injured.

It turned out that a 16-gallon drum of combustible tetrazole had been incinerated without first being tested to make sure it had been diluted enough to prevent an explosion. EPA and Illinois officials ordered the incinerator shut down, saying that the site's screening of waste was inadequate and that the incinerator could have been structurally damaged. Waste Management says it believes that the incinerator is ready to be fired up again and expects it to reopen soon.



# Japanese Trade Lobby and U.S. Car/Trucks

by James B. Parks

In 1988, the U.S. Customs Service took on one of the strongest political machines in Washington — the Japanese trade lobby — and lost big.

By the time the dust had cleared, the lobby had bested Customs, the UAW, the Big Three auto-makers and the U.S. Treasury Department. In the process, it deprived the deficit-ridden government coffers of more than \$500 million a year in duties.

Since 1981, the Japanese government had agreed to voluntary limits on the number of passenger cars it would export to the United States. But it had no such limit on light trucks. There was a huge difference in the tariffs on the two types of vehicles: 25 percent for light trucks and 2.5 percent for passenger cars.

By 1987, transplanted Japanese automobile factories in the United States were producing so many cars that there was little need for the Japanese to export more cars, leaving the export quota unfilled. Meanwhile, there was a growing demand for the light trucks, which faced the higher import duty.

A truck is a truck?

The solution was obvious to the Japanese. They filled the auto quota, at the reduced duty rate, by reclassifying the trucks as passenger cars. When that action prompted a review by customs officials in 1988, the lobbying machine sprang into action.

Suzuki hired Robert Thompson, a well-connected Republican lobbyist who had worked for George Bush in the 1980s. The Japan lobby also convinced 31 representatives and 11 senators to urge Customs to drop the review.

One congressman even summoned then-Customs Commissioner William von Raab to his office, where von Raab was confronted by a former U.S. trade official, John Rehm, who represented Japanese companies.

Von Raab stood firm and, on Jan. 4, 1989, he ruled that light trucks were not passenger cars for tariffs. "Even my grandmother can go into a parking lot and tell the difference between a passenger car and a truck. These are trucks," he said.

Japanese officials convinced the German and British governments to ask the United States to reconsider, which it did, suspending the rule just nine days after it was announced.

Then the lobby launched a massive public relations campaign, claiming that the ruling would raise the price of trucks. Auto importers swamped Congress with letters and Japanese government officials implied the ruling could hurt relations between the countries.

Within 45 days, Treasury Secretary Nicholas Brady overturned Customs' decision: it was official U.S. policy that trucks are cars, with a notable exception. The Japanese lobby convinced the Bush administration that the trucks came into the United States cars should be classified as trucks for sale. That way they didn't have to meet the tough fuel-efficiency, safety and emissions standards of automo-

biles.

## Clout in Insider Game

This story illustrates the clout that the Japanese have developed in the insider game of Washington politics and raises serious questions about our political system, said Pat Choate. Choate, a former TRW executive, is the author of *Agents of Influence*, a book that describes the extent and impact of the Japan lobby.

Hiring former officials to lobby, seeking political influence through campaign contributions and using information to push your economic interests is not illegal; indeed, it's the heart of the American political system. But, Choate says, the way the Japan lobby does it gives them an unfair advantage and is "corroding our democratic principles."

Japan's government and leading companies spend \$400 million a year on a concerted political and public relations campaign to influence U.S. policy and open up new markets in this country. That's about equal to the amount Democrats and Republicans combined spent in the 1988 races for the House and Senate.

They employ 92 law, public relations and lobbying firms on their behalf, compared with 55 for Canada and 42 for Britain, the next two largest foreign lobby investors in the United States.

They have used that clout to gain superiority or strong footholds in the U.S. television, computer, machine tool, automobile, financial services and dozens of other industries.

Because there is little or no reciprocity for U.S. products in Japan, the U.S. trade deficit with Japan reached \$41 billion last year, putting about 1 million Americans out of work, according to Rudy Oswald, director of the AFL-CIO's Economic Research Department.

## Money is Dominant Issue

About \$100 million of the Japanese money goes to hire former government officials, especially those with trade experience, as lobbyists. One-third of the principal officials in the U.S. Trade Representative's Office since 1973 have left to become foreign agents, mainly for Japan.

"Money has become the dominant influence in our political system, in the political campaigns...and in the post-employment practices of public officials," said Charles Lewis, director of the Center for Public Integrity.

For many officials, Choate said, working in the top levels of government is "merely a sabbatical from a more permanent career as a registered agent lobbying for a foreign country."

Generally, Choate said, the Japanese hire a former insider either as a lobbyist or as a "consultant" or "member of an advisory board" of an agency or a company. They also have added another lure as the economic stakes

have grown: equity in a business deal.

The influence of the Japanese money is so broad that it has a name, Choate said—the "demonstration effect." The huge sums of money made available to Japan's friends once they leave office "demonstrates" the value of friendly policies toward Japan to officials still in office.

The most obvious example of this effect is the \$2 million paid to former President Reagan for one week of public relations work for Japan's Fujisankei Communications Group. For the money, Reagan repeated the Japanese position on U.S.-Japan trade that the problem was caused by American "protectionists."

## Through Revolving Door

A random sampling of the hundreds of former government officials who have represented Japanese companies reads like a "who's who" of Washington: former Reagan National Security Advisor Richard Allen; former Carter advisors Stuart Eizenstat, Anne Wexler and Jody Powell; former chairperson of the International Trade Commission William R. Alberger; former Reps. Michael Barnes, Thomas Evans and James R. Jones, who recently was named chairperson of the American Stock Exchange; former Sens. Howard Baker, Birch Bayh, John Culver and Frank Church; and former Energy Department counsel J. Michael Farrell.

Trade Representative, Carla Hills, and several of her top deputies have traveled full circle in the revolving door between government and lobbying. A former secretary of Housing and Urban Development, Hills represented Japanese clients after she left office, as did many of her current deputies. Now they represent the United States in negotiations with the Japanese government.

These ongoing relationships raise an issue of trust, Choate said. "What the American people have to ask is" can we trust officials who know when they go into office they will represent the other side when they leave? Can we trust them not to give away information or not to pull their punches? Too often the answer is "no." "It sends a message that the government is for sale," he said.

## Political Contributions

The Japanese also spend money to get politicians elected. Although direct campaign contributions from foreign nationals are illegal, foreign-owned companies can operate political action committees (PACs). One of the largest PACs is the Auto Dealers and Drivers for Free Trade PAC (AUTOPAC), which raised \$4.5 million in 1988, dumping \$1.4 million into just seven congressional campaigns for candidates.

Democrat Buddy McKay lost the Florida U.S. Senate seat by 31,000 votes to Connie Mack after a \$326,000 negative ad campaign by AUTOPAC. "In the final analysis... I was beaten by Toyota," McKay said.

The Japanese also have infiltrated or taken

over ad hoc groups such as the Consumers for World Trade, over half of whose members work for Subaru.

\*The Japan lobby also spends large amounts on public relations campaigns designed to blunt or prevent public criticism of the Japanese. It also finances university centers for Japanese studies, raising the question of whether those programs are academically independent, Choate said.

## Changing the Law

How can America combat the Japan lobby's blatant attempt to further its economic interests? Choate says the solutions are simple:

First, have a full "sunshine law" that makes all foreign agents register as agents and not hide behind phony titles such as "consultants," advisors," etc.

Second, close the revolving door. Make it illegal for trade officials or any government official to go to work for a foreign company or government for five years after they leave office. Former Cabinet-level officials should not be allowed to work for foreign interests ever, he said.

Third, make foreign PAC money illegal.

But the most important reform, he said, is an intangible one: restore the concept of public service and strengthen the Civil Service.

"There are too many hustlers" in government service, he said. Until the American people wake up and decide to do something about them, the Japan lobby will continue to thrive, he said.

Reprinted from *The IBEWView*

# GATT

Continued from page 8

ture of these nations' economic success is perhaps a bit more questionable than Passell indicates, they are among the most protectionist nations in the world. In both cases the government has intervened extensively in the economy, attempting to direct trade, investment, and consumption. Most of the regulations that were essential for the success to which Passell points would be outlawed under the new GATT.

## Conclusions

In all areas of its coverage of the GATT proposals the Times managed largely to conceal the corporate special interests that stand to gain. Instead it has focused on the tens of millions of family farmers and workers around the world who have been dubbed as special interests that stand to lose from these accords. It has also managed completely to ignore the extensive environmental consequences of the proposals. In addition it avoided any discussion of the wisdom of removing so much power from the hands of elected representatives and placing it instead with the unelected GATT council. This is the sort of reporting that has earned the Times so much respect among leaders in business and politics.



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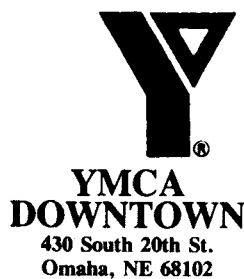
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## a r t e x h i b i t s

**Gallery Listings****Adam Whitney Gallery**

8725 Shamrock Road, Omaha  
393-1051  
Hours: 10-5 Monday through Saturday

**Anderson O'Brien Gallery**

8724 Pacific St.

**Antiquarium Gallery**

1215 Harney Street, Omaha  
341-8077  
May 3-June 13: "Modern Culture Icons & Images," paintings by Tony McMilleon, paintings and drawings by Arthur Cruz.  
June 17: "Traveling Show", comprised of Nebraska State artists.

**Artists' Cooperative Gallery**

405 So. 11th Street, Omaha  
342-9617  
Hours: Wed.-Thurs. 11-5; Fri. & Sat. 11-10; Sunday noon-5.  
June 5-June 30: Work from Jerry Jacoby, Emmy Gifford, and Gary Townswick.  
Call for current information, as the gallery is facing pending demolition to make room for the Old Market parking garage. Relocation plans are not yet firm.

**Bellevue College Gallery**

Galvin Road at Harvell Drive, Bellevue  
293-3732  
Hours: 8 a.m.-10 p.m. M-F; 9-5 Sat.; 1-5 Sun.  
Through March 29: "5th Annual Metro Seniors Juried Art Show."

**Bemis New Gallery**

614 So. 11th, Omaha  
341-7130  
Hours: 11-5 daily.  
June 13: Bemis Slide Lecture by Alberto de Braud & Norbert Kleinlein (ceramic sculpture).  
Through June 18: Chris Connell, Artist in Residence.

**Burkholder Project**

719 P Street, Lincoln  
477-3305  
Hours: 10-5 Monday thru Saturday

**Cathedral Arts Project**

St. Cecilia's Cathedral  
701 No. 40th Street  
558-3100  
Hours 1-3:30 p.m. Thurs-Sun and by appointment.

**Council Bluffs Artist's Loft**

407 W. Broadway, Council Bluffs  
Hours: 10 a.m.-5 p.m. Mon-Fri; noon-4 p.m. Sat.

**Creighton Fine Arts Gallery**

Creighton University

27th and California, Omaha  
280-2509  
Hours: 10 a.m. to 4 p.m. Monday-Saturday; noon-4 Sunday.

**Eyesound Gallery**

109 N. 50th, Omaha  
556-4432  
Hours: 10 a.m.-5 p.m. Mon-Sat.  
June 8: Opening reception for work of John Thein and Dan Boylan. 7-9:30 p.m.  
June 8-July 8: Work of John Thein and Dan Boylan.  
Ongoing: Mixed media featuring work by John Thein, Kent Bellows, Paul Otero, Sue Knight and Dan Boylan.

**Gallery 72**

2709 Leavenworth, Omaha  
345-3347

**Garden of the Zodiac**

Old Market Passageway, 1042 Howard, Omaha.  
341-1877  
June 6: Opening reception for photographs of Monte Lee Kruse and James P. Scholz. 7-9 p.m.  
June 6-July 14: Photographs of Monte Lee Kruse and James P. Scholz.

**Haydon Gallery**

335 N. 8th, Hardy Building, Lincoln  
475-5421  
Hours: Mon-Sat 10-5.

**Haymarket Art Gallery**

119 So. 9th Street, Lincoln  
475-1061  
Hours: 10-5 p.m. Tues.-Sat.  
June 9: 2-4 p.m. opening for Lewis and Dixon.  
June 9-29: Bruce Forbes photography, Jean Lewis photography and Ervin Dixon pottery.

**Hillmer Art Gallery**

College of St. Mary, 1901 So. 72nd Street, Omaha  
399-2621  
Hours: 1-5 daily except Friday.

**Iowa Western Community College Fine Arts Gallery**

2700 College Road, Council Bluffs  
325-3352  
Hours: 8 a.m. - 10 p.m. Mon.-Fri.

**Jewish Community Center**

333 So. 132nd St., Omaha  
334-8200  
Hours: 8 a.m.-10 p.m. M-Th.; 8-5 Fri.; 1-7 Sat.; 1-7 Sun.

**Joslyn Art Museum**

2200 Dodge, Omaha  
342-3300  
Hours: 10-5 Tues., Wed., Fri. & Sat.; 10-9

Thurs.; 1-5 Sunday.  
Admission: \$3 for adults, \$1.50 for seniors and under 12.  
Free Saturday before noon and to members.  
Through June 16: "Karl Bodmer as Printmaker: Impressions of an Expedition."  
Through August 11: "Oscar Howe: Traditionalist/Modernist," features a range of realist to abstract work by the Artist Laureate of South Dakota.  
Through August 11: "Works on Paper: Artists of the 60s, 70s and 80s."  
Through August 11: "Old Master Prints and Drawings."  
Through September 1: "Fictional Characters", featuring a gallery guide designed specifically for younger art enthusiasts.  
Through November 17: "Painting by the Rules: Academic Paintings from the Permanent Collection."  
June 29-September 1: "American Abstraction 1930-1945: The Patricia and Phillip Frost Collection in the National Museum of American Art"

**Local Artists Exchange**

Standard Blue  
1415 Harney, Omaha  
Hours: 8 a.m.-5 p.m. Mon-Fri; noon-4 p.m. Sat & Sun.

**Metro Arts Artspace**

601 So. 16th Street  
341-7910  
Hours: Mon-Fri 9-4 or by appointment.  
Through June 7: "People and Places," oil paintings by Vincent Hron.  
June 13, 14, 15: "Tanzlust: A Modern Dance Troupe" 8 p.m.

**Museum of Nebraska Art**

24th and Central Ave., Kearney  
(308) 234-8559  
Hours: 1-5 Tuesday thru Saturday

**Passageway Gallery**

417 So. 11th, Omaha  
341-1910  
Hours: 11-5 M-W; 11-9 Thurs.; 11-10 Fri. & Sat.; 12-5 Sun.  
June 1-June 30: Luther Junes, Metal Sculptor; and Judy Shinkle, Painter.

**Photographer's Gallery, Inc.**

4831 Dodge Street, Omaha  
551-5731  
Hours: 10 a.m. - 2 p.m. Mon.-Fri.; 1-5 Sun.; Closed Sat.; or by appointment anytime.

**Sheldon Memorial Art Gallery**

12th and R Streets, UNL Campus, Lincoln  
472-2461  
Hours: Tues. & Wed. 10-5; Sun. 2-9; Thurs.-Sat. 10-5 and 7-9; closed Mon.  
**13th Street Gallery**  
1264 So. 13th Street, Omaha

Mixed media

**University of Nebraska at Omaha Gallery**

616 S. 11th Street (second floor in CAT)  
Hours: 10-5 Monday-Friday

**Art Institute of Chicago**

Michigan at Adams  
Chicago, Ill.  
(312) 443-3600  
Hours: 10:30 -4:30 Mon., W, Wed.-Fri.; 10:30-8 Tues.; 10-5 Sat.; noon-5 Sun.  
Suggested Admission: \$5; seniors, students, \$2.50.  
Continuing: Ellsworth Kelly. Six paintings conceived especially for the museum's Sculpture Court.  
Continuing: "The Art of Music: A Salute to the Centennial Season of the Chicago Symphony Orchestra."  
Through June 23: "Selections from the Permanent Collection of Asian Art."  
Through June 9: "A Distanced Land: The Photographs of John Pfahl," about 100 photos from the artist's nine series that critically explore man's alteration of the American landscape: "Altered Landscapes," "Picture Windows," "Video Landscapes," "Power Places," "Submerged Petroglyphs," "Missile/Glyphs," "Arcadia Revisited," "Waterfalls," and "Smoke."  
Through July 21: "Paul Strand: A Retrospective."  
Through Sept. 3: "English and French Printed Textiles."

**Des Moines Art Center**

4700 Grand Ave.  
Des Moines, Iowa  
(515) 277-4405  
Hours: 11-5 T, W, F, Sat.; 11-9 Thurs.; noon-5 Sun.; closed Mon.

**The Nelson-Atkins Museum of Art**

4525 Oak Street  
Kansas City, Mo.  
(816) 561-4000  
Hours: 10-5 Tues.-Sat.; 1-5 Sunday.  
Admission: \$4 adults; \$1 students.  
Permanent collection free on Sat.  
Through June 9: "Treasures of the Jewish Museum."  
Through July 14: "Nate Fors"  
Through July 7: "Master Prints by Edvard Munch from the Epstein Family Collection."

**Peace Museum**

430 W. Erie  
Chicago, IL  
(312) 440-1860  
Hours: noon to 5 daily; noon to 8 Thursday  
Permanent Exhibits: "The Unforgettable Fire," drawings by survivors of atomic bombings. "The Ribbon," textile art on the themes of life and hope.

## a r e a e v e n t s

**Note:** Information was current as of press time, but changes may occur. Call for updates.

### DIRECTORY OF VENUES:

**Bellevue Little Theater,** 203 W. Mission Ave., 291-1554.

**Bemis Foundation/New Gallery,** 614 S. 11th St., 341-7130. Open 11 a.m.-5 p.m. daily.

**Center Stage Theater,** 30th & Q streets, 733-5777.

**Creighton University, Performing Arts Center,** 30th & Burt streets; Art Gallery, 27th & California streets, 280-2509.

**Emmy Gifford Children's Theater,** 3504 Center St., 345-4849.

**Firehouse Dinner and Theatre,** 11th & Jackson streets, 346-8833.

**Grande Olde Players,** 701 S. 39th St., 391-7888.

**New Cinema,** 1514 Davenport St., 346-8033. Screens film most weekends at 5:20, 7:30 & 9:40 Fri & Sat; Sun at 3 p.m.

**Omaha Childrens Museum,** 500 S. 20th, 342-6164. Open Tue-Sat 10 a.m.-5 p.m.; Sun 1-5 p.m.

**Omaha Community Playhouse,** 69th & Cass streets, 553-0800.

**Omaha Symphony Orchestra,"** see listings for venues, 342-3560

**Omaha Workshop Theater,** 3419 L. St. 558-2953. Shows are every Friday and Saturday at 8 p.m.

**Opera/Omaha,** performs at the Orpheum Theater, 346-0357.

**Orpheum Theater,** 409 S. 16th St., 444-4750.

**Rosenblatt Stadium,** 13th & Bert Murphy Drive, 734-2550.

**Sheldon Film Theater,** 12th & R streets in Lincoln. 472-5353.

**Strauss Performing Arts Center,** on the UNO Campus 63rd & Dodge.

**Sunset Speedway,** 114th & State, 493-5271.

**University of Nebraska at Omaha,** 63th & Dodge streets.

**Upstairs Dinner Theater,** 221 S. 19th St., 344-7777.

**Western Heritage Museum,** 801 S. 10th St., 444-5071.

### SPECIAL EVENTS

**June 1-2: 1991 MS150 "Nebraska Odyssey" Bike Tour** begins in Crete and ends in Chalco Hills. To help fight MS. For more information call 345-9026.

**June 14-15: Storytelling Festival** at UNO; \$4 per performance or \$55 for entire

festival. Call Mary Heise at 558-6185 for details.

**June 14-16: Renaissance Faire** of the Midlands at Iowa Western Community College, Council Bluffs, IA. Located at I-80 and Highway 6 (exit 8). Friday 6:00 p.m.-9:00 p.m. and Sat./Sun. 11:00 a.m.-7:00 p.m.; \$6 or \$4 in advance at Burger King or HyVee stores.

**June 16: Natural Adventures** in Costa Rica at Fontenelle Forest Nature Center, 1111 Bellevue Blvd., North at 2:00 p.m.; \$3 or \$1 for children/sr. citizens.

**June 28-30: Summer Arts Festival** from 17th to 19th, Harney to Farnam, in downtown Omaha. Hours: Fri./Sat. noon-9:00 p.m. and Sun. noon-6:00 p.m. Admission is free.

### ENVIRONMENT, PEACE, AND SOCIAL JUSTICE

**Earth Day Committee** meets every Tuesday at Franky Paine's, 6:30 p.m.

**Ecology Now** meetings every Sunday in Elmwood Park at 4 p.m.

**Youth for Peace** meeting every Wednesday at 1215 Harney, 6 p.m.

**May 31-June 2: New Covenant Garage Sale** at New Cassel Retirement Center, 900 N. 90th St. Call 451-1212 for details.

**June 1: "National Adopt-a-Highway Cleanup Day."** Meet the UNO Ecology Now group at Allwine Hall, 10:30 a.m., on UNO campus for highway cleanup with potluck picnic and volleyball afterwards at Two Rivers State Park.

**1863, June 2: Harriet Tubman** frees 750 slaves in a raid.

**1989, June 3-4: Movement for democracy** in China crushed at Tiananmen Square Massacre, Beijing, China

**June 8th: NE PEACE PAC Annual Meeting,** 10:00 a.m.-1:00 p.m. in Lincoln. Call Robin Carter at 453-0776 for more information.

**June 11th: Omaha Peace & Justice Council Meeting.** Brown-bag supper and social time 6:30 p.m.; 7:00 p.m. meeting at Augustana Lutheran Church. Hosted by Nebraskans For Peace, drinks provided

**1964, June 12: Nelson Mandela** sentenced to life imprisonment in South Africa.

**1976, June 16: Beginning** of Soweto uprisings in South Africa.

**June 16: Omaha Habitat for Humanity Blitz:** construction of two houses at 23rd and Fowler Ave. Call 457-5657 for more details.

**1954, June 18: U.S. supplied** and directed forces overthrow the constitutionally elected government of Guatemala.

**June 25-27th: Earth Camp** for Youth.

"Experiencing Earth-Keeping" at Chaco Hills Rec. Center for 4th grade and up. Call New Covenant for details at 451-1212.

**June 26th: Nebraskans For Peace District II Board Meeting,** 7:00 p.m. at Augustana Lutheran Church-open to members/prospective members of NFP.

**1869, June 27: Birthdate** of Emma Goldman, anarchist, antimilitarist. Famous quotation: "If I can't dance, I don't want to be in your revolution."

**1986, June 27: U.S. support** of Contra guerillas found to be in violation of International Law by The World Court of The United Nations. The U.S. has still not paid it's fine to Nicaragua.

**June 29th: RURAL AID '91 Benefit Concert,** 6:00 p.m.-1:00 a.m. at the Starlite Ballroom in Wahoo, NE. Sponsored by Nebraska League of Rural Voters to Aid the Farm Hotline and Butler Co. Food Pantries. Call (308) 381-6943 for details.

**July 15th: Pastors For Peace Caravan To Nicaragua** at noon. Watch for further details or call the NFP office at 453-0776 for more information.

**July 26th: Cuba Report at First Unitarian Church,** (Time TBA). A first-hand report of the Rectification Process and what's happening in Cuba today. Call Doug Lee Regier at 553-0945 for further details.

### EXHIBITS & DISPLAYS

**Omaha Childrens Museum.** Ongoing: "Super Science," "Lights! Camera! Action!" and "Starship Health"; through June 10: "Gateway to China."; June 15: "Walk A Mile With A Smile"; through July 16: "Etch-a-Sketch"

**Western Heritage Museum.** permanent: "Byron Reed Coin Collection"; June 2: Opening event is Ice Cream and Architecture, 1:00 p.m.-5:00 p.m.; June 2-August 11: "What Style Is It?"—a Smithsonian Institution exhibition on architecture.

### FILM

**June 6-9, & 13-16: "Rosencrantz & Guildenstern Are Dead,"** a 1990 United Kingdom film by Tom Stoppard at the Sheldon Film Theater nightly at 7 & 9 p.m. with matinees 1 & 3 p.m. Sat; 3 & 5 p.m. Sun.

**June 7-9: "Let's Get Lost,"** a 1989 U.S. film by Bruce Weber at the New Cinema Theatre. All New Cinema films show at 5:20/7:30/9:40 p.m. Fri/Sat; 3 p.m. Sun.

**June 14-16: "The Hit,"** a 1984 Great Britain film by Stephen Frears at the New Cinema.

**June 20-23, & 27-30: "Iron & Silk,"** a 1991 U.S. film by Shirley Sun at Sheldon

Film Theater. Show times at 7 & 9 p.m. with matinees 1 & 3 p.m. Sat; 3 & 5 p.m. Sun.

**June 21-23: "Animation Festival,"** a 1990 collection of animated short films at the New Cinema.

### MUSIC & DANCE

**June 5: Jennifer Savarirayan Bharatanatyam Dance Concert** at the Emmy Gifford Children's Theater at 8:00 p.m.

**June 7-8: Peter Sparling and Daliene Majors Dance Concert** at the Emmy Gifford Children's Theater at 8:00 p.m.

**June 28: Maynard Ferguson and His Big Bop Nouveau Band** at the Orpheum Theater, 7:30 p.m. Seats are \$19.50 and \$16.25. 444-4750.

**June 30: Finale Concert, The Omaha Summer Arts Festival** featuring the Nebraska Wind Symphony. 17th street between Farnam and Harney St., 3:30 p.m. Admission is free. Call Tony 391-6329 for details.

### THEATER

**June 4-August 11: "Last of the Red Hot Lovers"** at the Firehouse Dinner and Theatre. Tues-Sat at 8 p.m., Sun 2 & 7 p.m. at the Upstairs Dinner Theatre.

**May 31-June 30: "Helo Dolly"** at the Omaha Community Playhouse. Thur-Sat at 8 p.m., Sun at 2 & 6:30 p.m.

**June 6-29: "St. Francis Meets Rodin"** at the Omaha Workshop Theater, 3419 L. St. All shows 8 p.m. every Friday and Saturday.

**June 7-9: "Who's on First"** at the Bellevue Little Theater. Fri & Sat at 8 p.m., Sun at 2 p.m.

**June 13-July 7: "Camelot"** at the Norton Theatre. Thurs, Fri & Sat at 8 p.m. and Sun at 2 p.m.

**Through June 15: "Murder at the Howard Johnson's"** at the Upstairs Dinner Theatre.

**June 20-23: "As You Like It"** at Shakespeare on the Green '91, Elmwood Park, south of UNO library. Greenshow at 7:30 p.m., Performance at 8 p.m.

**June 21-30: Joseph and His Amazing Technicolor Dreamcoat** at the Center Stage, 8 p.m. Fri & Sat; 3 p.m. Sun.

**June 21-July 23: Dead Weight** at the Magic Theatre. Friday and Saturday nights at 7:30 p.m.

**June 27-30: "Othello"** at Shakespeare on the Green '91, Elmwood Park, south of UNO library. Greenshow at 7:30 p.m., Performance at 8 p.m.

# State Broke? Let's Have Some *Real* Sin Taxes

Gail Dreyfus

Reprinted from *Isthmus*, with permission

It's tough to be a government these days, what with taxpayers protesting all the traditional methods of money extraction. Income taxes, property taxes, sales taxes—all invite voter retaliation at the polls.

So what's a poor public servant to do? Recently, governments have legalized gambling so that it can be taxed. Here in Wisconsin we now have a state lottery. Dog racing tracks are a growth industry. Our neighbors in Iowa have reinstituted riverboat gambling. All of these initiatives generate funds and provoke little opposition from anyone except those few sentimentalists who worry about poor people squandering their money.

The next step should be obvious. After all, gambling is not the only vice. The human mind has given rise to a myriad of shameful urges, and governments have come up with an equal number of statutes aimed at suppressing them. But the example of gambling has shown us that taxation, not prohibition, is the way to go.

One vice that comes immediately to mind is bad language. Certain words that we all know and use in the privacy of our homes may not be uttered in public, even in situations where no other terminology will do. And why not? Simply because the government has deemed these words to be harmful to the common morality.

Instead of outlawing these words, the

government should simply tax their use. The amount to the tax would depend on the word in question. For example, it should obviously cost you more to use the f-word than to name the location of a disagreeable afterlife. The tab would also depend on the circumstances in which the word is used. Higher rates would apply to cursers who cannot restrain themselves in the presence of young children, at religious events or on the public airways than to those who express their foul sentiments in bars or at sporting events. It's only fair.

For frequent cursers, a discount rate could be levied. People who wish to swear often could purchase convenience passes similar to those sold for regular bus riders or coffee drinkers. After each instance of cursing, the user would simply have the pass punched by the tax authorities. No muss, no fuss.

**Noname** *Continued from page 11*  
composting of vegetative matter, 3 waste to energy incineration, 4 waste reduction incineration 5 landfill. City regulations are strict enough that there probably won't be an incinerator in the city limits. But out at 216th street, the county landfill, which is owned and operated by Waste Management, seems a possible site. Waste Management own 55 percent of stock of Wheelabrator Technologies, which is one of the larger waste to energy producers. Since there will be ash it stands to reason to put the incinerator as close to the landfill as possible.

Some groups have given up the fight.

An even better source of tax revenue is fornication. In most states, fornication is illegal, but the law is seldom enforced. What a lost opportunity! Millions of otherwise law-abiding Americans who commit fornication would be more than happy to pay tax rather than be turned into criminals.

The fornication tax should be high enough to relieve the conscience of the fornicator, at least \$10 per incident, with the range based on such considerations as the number of people or other sentient beings involved, the degree of betrayal and, of course, the wealth of the adulterer. An example of a case requiring the highest rate would be a rich man who has sex with 19-year-old twins while his wife is in the hospital giving birth. As to how it should be collected, I think the main consideration should

be convenience. Like cigarettes, fornication tax stamps should be sold in grocery stores, gas stations and, of course, motels. "Frequent fornication" stamp booklets should be available at reduced cost. There might be some problems with enforcement, but even so, I think the tax would generate enough to finance a few Patriot missiles.

The new sin taxes on cursing and fornication would have many benefits in addition to raising much-needed revenue. The police could concentrate on more serious problems. The stigma of criminality would be removed from millions of Americans. And, most of all, the debate on cursing and sex would greatly increase public interest in the legislative process. Lawmaking could be fun again.

ACRES, a group that started out opposing the location of the 216th street dump, has now shifted its focus to monitoring ground water quality and other issues, and they are almost collaborative with Waste Management. The company paid \$15,000, all of Acres remaining legal fees. ACRES wrote a letter of support for Waste Management. "They're a fact of life for ACRES," said Ellen Dahlstet, group founder. Glenn O'Bryan told us he goes to many of their (ACRES) meetings.

We have heard from a Waste Management representative that they are receiving at least \$30/ton from an out-of-state vendor. We'd like to know where these materials are going.

Do they get a receipt from the buyers?

So what's really going on here? If they have all the markets they claimed before they got the contract, why aren't they going back to the city and encouraging them to broaden the list of items? Could it be that recycling is not their real agenda? I believe Waste Management went into this contract knowing they would come out in the red. This is a loss leader. They want the 5-year contract, to get Watts out, and have a monopoly. Eventually they will be incinerating solid waste.

*The noname group meets every Saturday, 10-12, First Presbyterian Church, 34 and Farnam*

## Drugged Horses 'Limp for the Dandelions'

by Colman McCarthy

WASHINGTON—To prepare the public for the Kentucky Derby at Churchill Downs where the livin' is made to look easy, the horse-racing industry has spent the spring forcing its drugged and medicated animals to run in the Louisiana Derby, Florida Derby, California Derby and the Kentucky Derby Trial.

Those were only a portion of the 47 major races for 3-year-olds since early February. The events, called "Triple Crown preps," are where investing in horse flesh is a major economic gamble by which owners and trainers put the enhancement of their wealth first and the health and welfare of horses last.

At Churchill Downs, and later at Pimlico and Belmont, owners dress in tweeds and jockeys ride in silks, but the garment of horse racing is a patched quilt of sordidness that couldn't exist without deliberate cruelty to animals.

This spring the suffering has been more noticeable than usual because a number of touted favorites were hobbled while training or racing. Instead of running for the roses in the Derby, Cahill Road, Dinard and Excavate, with leg injuries, are in pastures limping for

dandelions. Lesser but similarly downed animals risk ending up as dog food or on dinner plates in Europe or Japan where U.S. horse-meat is consumed. In 1990, a large portion of the 315,000 horses slaughtered for foreign markets were sold from race stables. The Humane Society of the United States reports, "on average, a horse breaks down on a track and has to be destroyed once every three days. A similar incidence in baseball would amount to two player deaths a week."

Although it is mostly addicted bettors who pay attention to the health of thoroughbreds, recent years have seen animal-rights groups organizing to take off the nation's blinkers about the business. Animal's Agenda magazine, which consistently reports abuses to horses in ways rarely mentioned in the racing press, says: "If racing becomes an animal-rights issue, those who answer the call will be fighting the Four Horsemen of the Entrenched Apocalypse: trainers who advocate better racing through chemistry; veterinarians who never met a drug they wouldn't prescribe for a price; racing commissions that believe the best way to conquer temptation is to legalize it; and a tradition of hardy skulduggery —

expressed by a trainer watching a workout at Belmont one morning as 'crime pays.'"

Racehorses are bred and raised as money machines. Each year, between 45,000 and 50,000 thoroughbred foals are registered. Only a few end up in stud farm clover with Seattle Slew. The average racehorse lasts only two or three years before it is retired, with retirement due to injury, not old age. Horses mature at five, but by then most are crippled by tendon damage, fractures or arthritic joints. To the owners and trainers, the 1,200-pound animals are the equivalent of racing cars at the Indy 500: If they break down or can't win, scrap them.

Marc Paulus of the Humane Society specializes in protecting racehorses. "A lot of people," he says, "ask this: 'If the horses are so valuable, why would owners and trainers risk their health by overracing or running them on drugs?' The answer is that racehorses make money on the track, not in the barn. They don't win purses during a period of rest and recreation. They're valuable only if successful at big races. If they don't win, they won't earn millions of dollars in breeding fees. The incentive is to race them—even if

injured, tired or off form."

If it weren't for pain-killing drugs and steroids, most horses could not be trained to run as fast or as often as their owners demand. Legislative regulation is as unpredictable as picking winners in a claiming race. Some states sanction drugging horses before post time, others have mild restrictions. New York bans all drugs. A federal drug-control law—the Corrupt Horse Racing Practices Act — was introduced in 1980, but it was soon scratched.

Before all else, the industry enslaves animals. What horse, a creature of intelligence and free-roaming instincts, would choose to be drugged, medicated, harnessed, ridden and whipped for no reason that it can understand? Racehorses are enslaved for the same reason that other animals are held captive to be eaten, worn, hunted, caged, trapped or dissected: human pleasures and profits.

During the Triple Crown races, much of the media, beginning with ABC's Jim McKay, the chronic glamorizer of the horse set, can be expected to continue the fantasy that this is the sport of kings. It's really the sport of sadism.

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